

Buried Heritage

BRAZIL BEGINS WELL, WITH SCOTLAND'S HELP



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Greenspan Says U.S. Is in a 'Virtuous Cycle'

Tumbling Asian Shares

Percentage change in main share indexes on Wednesday and year to date

	% change Wednesday	% change year to date
Thailand	-5.24	-21.62
Hong Kong	-4.91	-25.58
Singapore	-4.42	-30.20
S. Korea	-4.33	-13.49
Malaysia	-3.12	-17.59
Taiwan	-3.12	-11.78
Japan	-1.22	-0.53
Australia	-1.18	-0.80
Indonesia	-0.73	-11.59
Philippines	-0.39	-12.87

Source: Bloomberg

Asian Stocks Recoil on Fear Of Contagion From the Yen

By Philip Segal
International Herald Tribune

HONG KONG — Stocks and currencies fell steeply across Asia on Wednesday as the Japanese yen continued its plunge, and markets grew more fearful that China could devalue its currency in frustration over Japan's perceived reluctance to support the yen.

Every major stock market in Asia fell — many by more than 3 percent — in fear of a renewed bout of competitive currency devaluations that could be induced by a weak yen and a devalued Chinese yuan.

The U.S. dollar was trading at 141.58 yen late in the day Wednesday in New York, up from 140.26 on Tuesday.

European markets shuddered as well, though most bourses kept losses below 1 percent.

The market turmoil followed remarks by the governor of the Chinese central bank, Dai Xianglong, who said Tuesday that "the depreciation of the yen is having a very negative impact on China's imports and exports, and the utilization of foreign capital."

Although he repeated Beijing's oft-stated promise not to devalue the yuan, stock and currency markets were set on edge by what they took to be China's growing impatience with Japan, which China may think should be doing more in concert with the United States to support the yen.

"China has done its part by keeping the yuan stable," said Billy Chan, a fund manager at Invesco Asset Management Asia Ltd.

"So it's natural the Chinese may not

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The Dollar			
New York	Wednesday 4 P.M.	previous close	
DM	1.7955	1.78	
Yen	141.58	140.26	
FF	6.0215	5.9685	
Pound	1.6285	1.6365	
Dollars per pound			
The Dow			
	Wednesday close	percent change	
— 78.22	8,971.70	— 0.88%	
S&P 500			
— 6.65	1,112.85	— 0.59%	

Newsstand Prices			
Bahrain	1,000 BD	Malta	55 c
Cyprus	€ 1.00	Nigeria	125.00 Naira
Denmark	14.00 Dkr	Oman	1.250 QR
Finland	12.00 Fm	Qatar	10.00 QR
Greece	€ 0.85	Rep. Ireland	€ 1.00
Great Britain	€ 0.90	Saudi Arabia	10 SR
Jordan	1.250 JD	S. Africa	€ 12 + VAT
Egypt	€ 5.50	U.S. Mil. (Eur)	10.00 Dh
Kenya	1,250 K	U.S. Mil. (Eur)	1.20
Kuwait	700 Fils	Zimbabwe	Zim\$40.00



Economy Weathers The Asian Threat

By Mitchell Martin
International Herald Tribune

NEW YORK — Alan Greenspan, the Federal Reserve Board chairman, said Wednesday that the U.S. economy was "enjoying a virtuous cycle," in which rising stock prices encourage spending and growth, and he raised the possibility that the economy has "moved beyond history."

Mr. Greenspan said that the U.S. economy has "remained strong this year despite the evidence of substantial drag from Asia, and at the same time, inflation has remained low."

This situation, he said, "is not what historical relationships would have led us to expect at this point in the business expansion, and while it is possible that we have, in a sense, moved beyond history, we also have to be alert to the possibility that less-favorable historical relationships will eventually reassert themselves."

Although his address to the Joint Economic Committee of Congress was peppered with caveats, his general tone was upbeat and he said "very clearly" that there was "no sign" that the central bank needed to raise interest rates to combat inflation in the coming months, according to Larry Kimball, professor of business economics at the University of California at Los Angeles.

Mr. Greenspan's comments gave impetus to a Treasury bond rally that began earlier in the day as investors sought a haven from the troubled Asian financial markets.

But stocks fell back after the Fed chairman warned that profit growth at U.S. corporations could slow.

Mr. Kimball, who teaches at UCLA's Anderson School, said Mr. Greenspan had alleviated fears that the central bank's policy-setting Federal Open Market Committee would vote to raise interest rates in the near future.

"He is telling everyone to relax, if you look to the end of the summer, maybe the end of the year, it looks great," he said.

Many of Mr. Greenspan's comments were on the subject of productivity growth, the linchpin of the so-called New Age economic theory, whose adherents believe that improvements in technology are allowing the economy to expand far more quickly than was thought possible.

"Signs of a major technological transformation of the economy are all around us," Mr. Greenspan said, "and the benefits are evident not only in high-tech industries but also in production processes that have long been part of our industrial economy."

But Mr. Kimball noted that the Fed chairman "also said clearly that the

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Sickly Sheikh Is Reviving Hamas

Hard-Line Anti-Israel Stand Gains Money and Adherents

By Lee Hockstader
Washington Post Service

GAZA — Sheikh Ahmad Yassin is aged, sickly, blind, paralyzed and confined to a wheelchair. A doctor who has treated him says "everything" is wrong with his health. Yet for the last couple of months, Sheikh Yassin, founder and spiritual leader of the militant Palestinian group Hamas, has staged a remarkable show of strength.

Sheikh Yassin, who left his base in Gaza on Feb. 19, citing the need for medical treatment in Egypt, promptly embarked on a comprehensive tour of the Arab world, where he met with the mighty, dispensed incendiary pronouncements to the media and was received with the kind of pomp and fanfare ordinarily reserved for heads of state.

Along the way, he was reported — probably inflatedly — to have raised tens of millions of dollars for Hamas, whose avowed goal is to eliminate Israel through armed attacks and whose preferred means in the recent past has been suicide attacks against civilians.

Now, Sheikh Yassin is set to return home to Gaza this weekend as a rising star — a man

regarded in Israel and Washington as a leading terrorist who is suddenly riding a wave of enhanced prestige in the Arab world.

"It's not about money — he can collect money sitting in Gaza," said Ghazi Hamad, editor of a Gaza newspaper, The Message, with close ties to Hamas. "But the official reception of Yassin from these countries signals growing support for Hamas."

If that assessment is correct — and analysts here believe it is — it is bad news for Yasser Arafat, president of the quasi-statelet known as the Palestinian Authority. It is also bad news for Israel.

Both Israeli and Palestinian Authority officials say they fear that Hamas may use any money that Sheikh Yassin raises not only for the group's extensive social network of charitable societies, mosques, medical clinics and orphanages, but also for renewed attacks on Israel.

No major terror attacks have occurred in Israel in nearly a year. If one were to occur, analysts say, it would most likely deal a death blow to an Israeli-Palestinian peace process that is already in dire condition.

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Jakarta Groups Document Mass Rapes of Chinese

By Seth Mydans
New York Times Service

JAKARTA — Human rights and women's aid groups have begun to document what they say appears to have been an organized campaign of assaults, gang rapes and killings of Chinese women during three days of rioting in Jakarta last month.

The aid workers say they have talked with dozens of victims or relatives of victims, and they estimated this week that more than 100 women and girls may have been attacked and raped in Jakarta alone as their neighborhoods were burning between May 13 and 15. There were reports of similar attacks during riots in other cities that preceded the fall of President Suharto on May 21.

Sita Kayam, a worker at a women's aid center,

said she believed that hundreds of women were receiving physical or psychological help at hospitals here.

Other aid workers said most of the victims remained too traumatized to talk about their experiences and too terrified of reprisals to report their ordeals to officials or even to unofficial rape centers. The police said no reports of rape had been brought to the authorities.

Another worker at the women's aid center, Ita Nadia, said some women had committed suicide after their ordeals.

The reported attacks ranged from the degrading and humiliating to the horrific: from women who were made to strip and perform calisthenics in public to women who were repeatedly raped and then thrown into the flames of burning buildings.

The reports involve girls and women ranging in age from 10 to 55, the aid workers said. Some were gang-raped in front of a crowd in the Chinese commercial district of Glodok, said Rita Kolibonso, executive director of the women's group Mitra Perempuan.

"Some of the rapists said, 'You must be raped because you are Chinese and non-Muslim,'" said Miss Ita, who works at a crisis center called Kalyana Mitra. Ethnic Chinese citizens, who control much of the country's commerce, have been targets of violence in Indonesia for years.

The consensus among human rights workers and rape counselors is that the attacks were mostly organized by unknown groups, in the same way

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Brazil's Cesar Sampaio, number 5, heading in the first goal of the World Cup — in the fourth minute.

Defending Champions Take Opener

A Scottish Own-Goal in 2d Half Hands Victory to Brazilians

By Christopher Clarey
International Herald Tribune

SAINT-DENIS, France — The opening game of the 16th World Cup finals was still an hour away from starting, but Scotland was about to take an early lead over the defending champion.

As a group of Brazilian fans trundled by on the esplanade leading to the Stade de France, a bearded Scottish supporter holding a beer bottle and the hem of his kilt shouted out, "Has Ronaldo seen this?" He quickly turned around and flipped up his kilt, exposing his very bare bottom.

There would be more surprises inside the stadium for the

Brazilians as the hard-running, spirited Scots gave their team greater resistance than expected on Wednesday night. But ultimately there would be no shock heard round the hemispheres as Brazil prevailed, 2-1, after Scottish defender Tommy Boyd's own-goal broke a tie in the 73d minute.

World Cup openers have a tradition of being underwhelming, but this one was livelier than most: full of offensive thrusts, confident shots on goal and moments of individual virtuosity from Brazil's Ronaldo, Rivaldo and Denilson.

Nonetheless, it is doubtful that the Brazilian fans who

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Air France Pilots Call Off Their Strike

By Barry James
International Herald Tribune

PARIS — Air France pilots abruptly called off a strike against the state-owned airline on Wednesday after agreeing to receive shares in the company in lieu of salary cuts when the carrier is partly privatized later this year.

As the World Cup soccer tournament got underway — an event that the strike had threatened to disrupt — Air France management obtained its main goal, a reduction of up to 500 million francs (\$84 million) a year from the pilots' payroll to help pay for a 40-billion-franc modernization project.

The deal, a framework agreement that will be followed by detailed negotiations on specifics, enabled the company to start moving aircraft into position to resume normal domestic and medium-range operations by the end of this week, and full intercontinental schedules from early next week, a spokesman said.

But the strike cost it at least \$1 billion in lost revenues, while it was too early to say how much the airline had lost permanently to competing carriers.

The agreement was unexpected, because only a few hours earlier during a stormy meeting the majority of the pilots had agreed to go on fighting, despite

hostility from their colleagues at Air France and the public. Signs of disunity in the pilot ranks began appearing Tuesday, with a union representing flight engineers saying it was willing to settle. Three small unions representing pilots who worked for the former Air Inter, now absorbed by Air France, said they would remain on strike.

During the course of the walkout, the pilots were disabused of any notion that they could expect the government to step in. Prime Minister Lionel Jospin said over the weekend that the government supported the management's

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Milosevic Under More Pressure On Kosovo

U.S. and Russia Join Europeans in Plan To Revive Peace Talks

By Craig R. Whitney
New York Times Service

PARIS — Officials from the United States, Russia, and four European countries, trying to increase pressure on Serbia to end military sweeps against ethnic Albanians in Kosovo, agreed Wednesday that Slobodan Milosevic, who is president of rump Yugoslavia, was primarily responsible for the violence.

The officials agreed, diplomats said, on a strategy of urging Mr. Milosevic to resume talks with ethnic Albanian leaders that were suspended when the attacks began last month, and threatening him with possible military action if the attacks continued.

President Boris Yeltsin of Russia, who has so far indicated that Moscow would block moves at the United Nations to authorize NATO military moves to halt the violence in Kosovo, may meet with Mr. Milosevic soon to try to get him to change his position, Russian officials said.

In London, Prime Minister Tony Blair told Parliament. "The only circumstance in which we will ensure that President Milosevic responds to diplomatic pressure is if that is backed up by the threat, the credible threat, of the use of military force."

The U.S. secretary of defense, William Cohen, said, on his way to a NATO meeting in Brussels, that Washington did not exclude a chance that military force might have to be used.

Allied defense ministers are expected to ask NATO military planners to draw up plans for possible troop deployments for peacekeeping missions along the border between Kosovo and neighboring Albania, or even inside Kosovo.

NATO officials have also said that air strikes against Serbian strategic military targets could be considered. But the allies are still some way from actually authorizing military moves, and Russia so far agrees with them that military means cannot be excluded, diplomats say, but not that the time has come to use them.

Britain has been circulating a draft UN Security Council resolution that would authorize the North Atlantic Treaty Organization to use force to preserve peace in Kosovo. But Russia, a permanent member of the Security Council, could veto the resolution.

Jacques Blot, the senior French dip-

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AGENDA

EU Moves to Lift Ban On British Beef Exports

The European Commission recommended Wednesday the lifting of the ban on British beef exports, which was imposed two years ago at the height of the "mad cow" disease scare.

But the recommendation faces a lengthy approval process by the 15 member states of the European Union. It could be six months or more before British beef and veal is back in shops in Europe and around the world. The EU imposed a worldwide ban on British beef exports in 1996 after Britain announced a possible link between bovine spongiform encephalopathy, or "mad cow" disease, and the fatal human brain condition Creutzfeldt-Jakob disease. Page 5.

Russians Delay Action On Nuclear Arms Pact

MOSCOW (WP) — Russia's lower house of Parliament, the State Duma, moved Wednesday to postpone ratification of the START-2 strategic nuclear arms treaty.

President Bill Clinton, who has not said he will not schedule a summit meeting here with President Boris Yeltsin until the treaty is approved. Mr. Yeltsin had invited Mr. Clinton to come to a summit in Moscow in July.

The Duma voted to downgrade a hearing next week to a conference. Instead, formal hearings will be held in the fall. The treaty, signed in 1993 and ratified by the U.S. Senate in 1996, has languished in the Duma, which is dominated by nationalists and Communists.

Delays in ratification are partly due to resentment at Mr. Yeltsin's victory over the Communists in winning confirmation of Prime Minister Sergei Kiriyenko in May.

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THE AMERICAS

Billionaire Gave Big Grant to Anti-Clinton Group

By David Segal
Washington Post Service

WASHINGTON — Richard Mellon Scaife, the Pittsburgh billionaire whose foundations have bankrolled an array of activities opposing President Bill Clinton, gave one of his largest grants last year to Judicial Watch, the conservative group suing the Clinton administration in 18 separate matters, newly released records show.

Mr. Scaife gave Judicial Watch \$550,000, according to documents disclosed by the Carthage Foundation, one of four philanthropies underwritten by Mr. Scaife. That sum is more than nine times as large as the \$60,000 in outside contributions Judicial Watch said it

received in 1996. "It's a minority of our support and we're very proud to receive it," the founder and president of Judicial Watch, Larry Klayman, said Tuesday before declining to comment further. In a recent interview, he would not confirm the Scaife grant and deflected questions about financing.

Mr. Scaife's foundations last year gave away \$25 million to conservative groups as well as academic institutions such as Boston University and Carnegie Mellon University.

The scion of the Mellon banking family, Mr. Scaife has become a major financial resource for those eager to probe Clinton administration controversies, from the Monica Lewinsky case to the death of Vincent Foster, the White House deputy counsel.

The independent counsel, Kenneth Starr, had once planned to accept a Scaife foundation-financed deanship at Pepperdine University, leading Clinton allies to criticize the prosecutor's conservative movement ties.

The recipient of the largest single Scaife grant last year — for \$1.5 million — was the Free Congress Research and Education Foundation Inc., a think tank run by the conservative activist Paul Weyrich. Free Congress is part owner of America's Voice, a TV network formerly known as National Empowerment Television.

The American Spectator magazine took in nearly \$1 million last year from two Scaife foundations: Carthage and the Sarah Scaife Foundation. Part of that money paid for the so-

called Arkansas Project, an investigation of alleged Clinton skulduggery in the president's home state. The project was criticized by several Spectator staffers and has given rise to an investigation into whether some Scaife money improperly went to pay a key Starr witness.

But the financial relationship between the magazine and Mr. Scaife's foundations is over.

"Let's just say that the Spectator had Scaife foundation money in the past," but that the foundations "decided to quit contributing this year," said its publisher, Terry Eastland.

Scaife foundation officials did not return telephone calls asking about Judicial Watch donations.

Wives Should 'Submit,' Baptists Say

By Gustav Niebuhr
New York Times Service

SALT LAKE CITY — The Southern Baptist Convention, the nation's largest Protestant denomination and an increasingly conservative force among American religious organizations, has amended its essential statement of beliefs to include a declaration that a woman should "submit herself graciously" to her husband's leadership and a husband should "provide for, protect and lead his family."

The amendment, a 210-word declaration on family life, was adopted by a show of hands' vote at the Baptists' annual meeting here as an addition to the denomination's basic theological statement of beliefs, the Baptist Faith and Message Statement. The vote was overwhelmingly in favor of the amendment and an attempt to soften the language was soundly turned back.

The amendment ranks as among the most prominent statements on family life by a major religious organization in recent years. The Southern Baptist denomination claims nearly 16 million members, among them President Bill Clinton, Vice President Al Gore, the House speaker, Newt Gingrich, and the Senate majority leader, Trent Lott.

While it says that husband and wife have "equal worth" before God, the choice of words about marital relations also makes it one of the most conservative of such statements. The amendment relies on such biblical passages as Ephesians 5:22-33, which compares the husband-wife relationship to that of Christ ruling the church, but which is today seldom interpreted so literally among mainline Protestants and Roman Catholics.

For example, U.S. Roman Catholic bishops, in a pastoral message on family life four years ago, said that marital roles, although different, should be characterized by "mutual submission" of a husband and wife to each other.

Paige Patterson, a seminary president from North Carolina who was elected Tuesday as the denomination's president, said the amendment was a response to "a time of growing crisis in the family." He also said people who found the language of the amendment provocative are those "who happen not to be real familiar with the Bible."

R. Albert Mohler Jr., president of Southern Baptist Theological Seminary in Louisville, Kentucky, said the amendment was based on a Southern Baptist belief in the literal interpretation of scripture. He said the submission of wives to their husbands is "not a modern idea" but "is clearly revealed in scripture."

Speaking of the amendment, he said, "The secular world may hear it as strange, but it is, we believe, God's pattern."



Paige Patterson and his wife, Dorothy, attending the Southern Baptist convention in Salt Lake City, where he was elected president of the group, the largest Protestant denomination in the United States.

End Is Near, Orlando Hears

Policies on Gays and Flags Have Landed City In Big Trouble, Religious Broadcaster Warns

By Thomas B. Edsall
Washington Post Service

WASHINGTON — The religious broadcaster Pat Robertson has warned the city of Orlando, Florida, that it risks hurricanes, earthquakes and terrorist bombs by allowing gay organizations to put up rainbow flags in support of sexual diversity.

"The Apostle Paul made it abundantly clear in the Book of Romans that the acceptance of homosexuality is the last step in the decline of Gentile civilization," Mr. Robertson told viewers of "The 700 Club" on Monday after a news report on "gay days" at Walt Disney World and the debate in Orlando on the decision to display the flags on streetlamp poles.

"I would warn Orlando that you're right in the way of some serious hurricanes, and I don't think I'd be waving those flags in God's face if I were you," Mr. Robertson said. "This is not a message of hate; this is a message of redemption. But a condition like this will bring about the destruction of your nation. It'll bring about terrorist bombs; it'll bring earthquakes, tornadoes and possibly a meteor."

The text of Mr. Robertson's com-

ments was distributed by Americans United for Separation of Church and State, a group critical of many of Mr. Robertson's policies and comments. Patry Silverman, a Christian Broadcasting Network spokeswoman, confirmed the accuracy of the transcript.

Jim DeSimone, communications director for Orlando's mayor, Glenda Hood, called the CBN news report that preceded Mr. Robertson's statements "fair." Mr. Robertson's "comments went beyond the factual issues and really talked about the possibility of God's wrath, and I just don't have any comment on that," Mr. DeSimone said. "That is clearly his right to have that opinion, and we just hope he is wrong."

Mr. DeSimone said city policy called for granting approval of requests to display flags to groups that pay the costs, do not advertise products and are open to the public. The gay groups met these requirements, he said.

Mr. Robertson said that his words reflected biblical truth and were not just an expression of his opinion. Anticipating criticism, he said, "I'm quoting the Apostle Paul now, so when you write your editorials, Mr. Editors, please remember who you're quoting."

other riches. But two years later the surviving soldiers, sailors and artisans left, desolate, empty-handed and battered by a hurricane. In November 1698 came a new expedition, which built a permanent settlement to help protect Spanish ships. "They were scared to death that either the French or the English were going to come in and occupy one of the ports on the northern Gulf Coast," giving them a base from which to attack the Spanish treasure fleet, said Bill Coker, a local historian.

The city (the name Pensacola, from an Indian word for "long-haired," came later) this week opened a yearlong festival to celebrate that second founding. Prime Minister Jose Marie Aznar of Spain was scheduled to take part.

Faced by miles of Atlantic beaches and empty chairs, New York City is trying to lure lifeguards from the West Coast. Only 400 of 1,200 positions have been filled so far, forcing portions of some beaches to close, reports the Los Angeles Times.

"We do not have the pool culture and the beach culture that we had in the '50s, when every kid wanted to be a lifeguard," said Henry Stern, New York commissioner of parks and recreation.

An appeal by the actors Michael Bergin and Angelica Barnes of the beach-based television series "Baywatch" brought 300 applicants, but fewer than 10 percent passed the swimming test.

Thus, Mr. Stern said, the call to Californians: "We are saying: Go east, young man or young woman. Spend the summer in New York. Spend the summer on the Atlantic. The surf may not be as good, but the ground is solid and doesn't shake."

A Wall Street executive, Alan Greenberg, read recently that some insurance companies were denying patients the impotence drug Viagra because of its cost. So Mr. Greenberg, chairman of Bear, Stearns, has donated \$1 million to a New York hospital to buy the drug for men who cannot afford it. The New York Times reported. "I think it's something that will give a lot of pleasure to a lot of people," said Mr. Greenberg. Commented a hospital official: "It's an unusual bequest."

Brian Knowlton

Black's Man Death On Texas Backroad
3 Whites Charged in Brutal MurderBy Sue Anne Pressley
Washington Post Service

AUSTIN, Texas — The torn and battered body of James Byrd Jr., 49, was discovered Sunday morning in a wooded area of Jasper County about 100 miles northeast of Houston; the head and right arm were missing.

Later, the head and arm were found a mile away on an isolated road, according to Jasper County Sheriff Billy Rowles.

Mr. Byrd, who suffered from what his sister described as a seizure disorder and did not drive, was last seen alive late Saturday walking home from a friend's anniversary party, his relatives said.

Three white men, two of them former cellmates sporting white supremacist tattoos, have been arrested, accused of chaining Mr. Byrd, who is black, to the back of their pickup truck and dragging him to his death along a two-mile stretch of the rough dirt road in the wooded flatlands of eastern Texas.

Charged Tuesday with the murder were Shawn Allen Berry, 23, of Jasper; Lawrence Russell Brewer, 31, of Sulphur Springs, 50 miles east of Dallas, and John William King, 23, of Jasper.

The sheriff said Mr. Brewer and Mr. King, who had been cellmates in a Texas prison, have tattoos that affiliate them with white supremacist groups. The two had picked up Mr. Berry, an apparent friend who also has served time in prison, at his job at a movie theater.

"It has been indicated to us that these guys, while they were in prison, were part of the Aryan Nation or the Ku Klux Klan," Sheriff Rowles said at a news conference.

Don Clark, special agent in charge of the Houston office of the FBI, said the bureau was assisting in the investigation because of "the extreme circumstances" of the case. If it is determined the slaying was a hate crime, federal charges could be filed.

Mr. Byrd's family said that they did not know the three suspects and had never heard the victim mention them. However, Sheriff Rowles said Mr. Byrd may have been acquainted with one of the men.

Away From Politics

• The death toll in a grain elevator explosion in Haysville, Kansas, rose to four with the discovery of a body and the confirmation of remains of another victim. Hopes for finding two missing workers alive were slim. (AP)

• Tenants who refused to pay the rent at an apartment where smoke seeps in from a bar downstairs cannot be evicted and the landlord must stop the smoke from getting in, a housing court judge ruled in Boston. (AP)

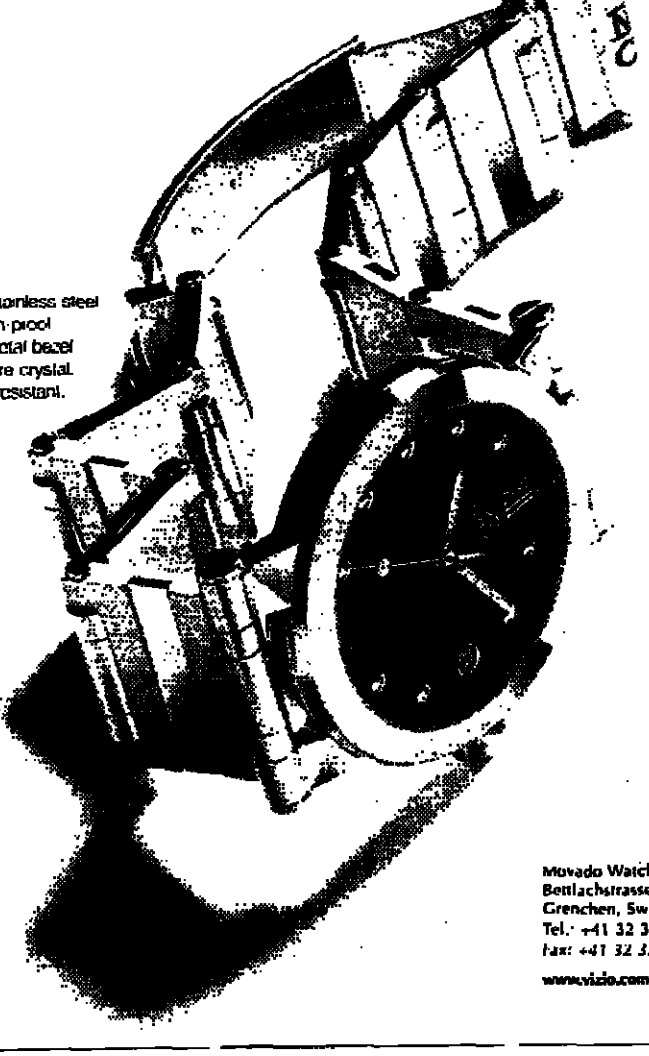
• An accident victim was trapped upside down in his car in a drainage ditch four days before he was discovered in Rancho Cucamonga, California. David Villagomez was in critical condition in a hospital. (AP)

• David Loomis Cargill, 39, who shot and killed a couple in a gas station robbery — making orphans of four children ages 2 to 10 — was executed in the state's electric chair at Jackson, Georgia. He had asked forgiveness. (AP)

• Four people protesting alleged death squads were arrested at the UN in New York and charged with pelting the Iranian foreign minister, Kamal Kharrazi, with eggs. (AP)



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AMERICAN TOPICS

No, TV Land Is Not Like Life
(The Proof Is in the Numbers)

Some skeptical Americans have long harbored suspicions that Television Land was not an entirely accurate reflection of reality. MTV, for example, thinks "The Real World" is young people with few visible means of support living in luxurious decorator apartments and just talking. But a study documents just how large the reality gap is.

In television land, work and family rarely clash, child care is a breeze and hardly anyone gets old, according to an analysis of prime-time TV by a group called the National Partnership for Women & Families. "The conflicts and compromises that shape so many Americans' lives," said Judith Lichtman, president of the group, "do not exist on TV, women or men."

Only 13 out of 150 series episodes or TV movies studied by University of Washington researchers portrayed a character dealing with the stress of reconciling job and family life.

Other findings: Thirty-four percent of TV mothers work for pay, compared with 67 percent of American mothers; only 15 percent of 820 adult TV characters were parents of minor children, compared with 32 percent of the U.S. population; 26 of the 820 adult TV characters had responsibility for an adult relative, whereas the real ratio is eight times higher, and 14 percent of adult TV characters are over 50, compared with 38 percent of the U.S. population.

Stephanie Coontz, author of "The Way We Really Are: Coming to Terms With America's Changing Families," suggested that television executives might be somewhat removed from problems faced by many Americans.

Short Takes

The Spanish first came to what is now Pensacola, Florida, in 1559, seeking gold and

POLITICAL NOTES

State Electoral Lineups Set

LITTLE ROCK, Arkansas — Claiming leadership of a state party weakened by scandal and Bill Clinton's departure for the White House, Blanche Lincoln prevailed in a runoff to win the Democratic nomination for Arkansas' open U.S. Senate seat.

Ms. Lincoln defeated Attorney General Winston Bryant. In November's general election to replace Dale Bumpers, who is retiring after 24 years, Ms. Lincoln will face Fay Boozman, a Republican state senator, and Charley Heffley, the Reform Party candidate.

Also Tuesday, there were primaries in North Dakota, Virginia, Maine and South Carolina. These were among the results:

• In South Carolina, Rep. Bob Inglis, 38, won 75 percent of the vote to easily defeat former Republican county chairman Stephen Brown for the right to challenge Democratic Senator Ernest (Fritz) Hollings, who is seeking his sixth full term. Mr. Hollings, 76, was unopposed for his party's nomination.

Governor David Beasley, seeking his second term, easily won the Republican nomination. The Democratic candidate is Jim Hodges, a former state legislator.

• In North Dakota, Republicans chose Donna Nalewaja, a state senator, to challenge the incumbent Democratic senator, Byron Dorgan. Mr. Nalewaja won 67 percent of the vote in cruising to the nomination over Larry Solar, a farmer who had 32 percent.

• In Maine, the two major parties selected nominees to oppose Governor Angus King, a popular independent. The Democrats chose Thomas Connolly, a lawyer, with 81 percent of the vote. The Republicans nominated James Longley Jr., a former congressman, who won 63 percent of the vote.

• In Virginia's lone contested congressional race, a former teacher and nurse, Demaris Miller, won the Republican nomination to challenge Representative Jim Moran, a Democrat. She got 55 percent of the vote to Chuck Carlton's 45 percent. (AP)

Maneuvering on Tobacco Bill

WASHINGTON — Signs have developed that the Senate's weeks-long impasse on anti-smoking legislation might be broken.

The Senate voted, 52 to 46, on Tuesday for a Republican amendment to use some of the money that would be raised from higher cigarette prices on drug-abuse programs. The vote was the first on the legislation in three weeks, and plans were made to vote on proposals to use other money from the tobacco legislation for income-tax cuts.

Senator Trent Lott of Mississippi, the Republican leader, said, "If we're going to start having some votes, then something might happen." (AP)

Quote/Unquote

Richard Riley, the secretary of education, challenging the National Rifle Association and its new president, Charlton Heston, to start working to keep guns from unsupervised children: "Unsupervised gun use and children do not mix. If Charlton Heston and the NRA want to come into the 'mainstream of American political debate,' then they need to stop defining themselves as 'victims of media manipulation' and help keep our children from becoming the victims of gun violence in our schools, in our homes and in our streets." (WP)

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EUROPE

EU Recommends Lifting Ban on British Beef

By Tom Buerkle
International Herald Tribune

LONDON — The European Commission recommended Wednesday lifting the ban on British beef exports that was imposed two years ago in the "mad cow" disease crisis, a move that would patch up one of Britain's worst disputes with its European partners and hold out the promise of relief to the country's long-suffering meat industry.

The recommendation faces a lengthy approval process by the 15 member states of the European Union, and it could be six months or more before British beef and veal is back on store shelves and menus in Europe and around the world. But the announcement by the commission, the EU's executive body, offered Prime Minister Tony Blair one of the most tangible benefits yet of his government's constructive stance toward its European partners.

Agriculture Minister Jack Cunningham wel-

comed the announcement, saying "it vindicates the positive, constructive and open approach we have taken on BSE in our relations with all the institutions of the European Union." A spokesman for Britain's Meat and Livestock Commission, an industry body, also welcomed the announcement although he acknowledged that it would take Britain a long time to regain export markets that were worth £625 million (\$1.02 billion) a year.

The EU imposed a worldwide ban on British beef exports in March 1996 after Britain announced a possible link between bovine spongiform encephalopathy, or "mad cow" disease, and the fatal human brain condition Creutzfeldt-Jakob disease.

The Conservative government of then-Prime Minister John Major pushed the issue to a crisis point, blocking dozens of EU decisions until leaders agreed in June 1996 to procedures whereby the ban would be lifted in stages if Britain could prove its meat was safe.

Since then, Britain has spent nearly £4 billion to slaughter more than 2.3 million animals deemed at risk of developing BSE, adopted a passport program to identify animals and trace them through the production process, and tightened up measures to ensure that the meat and bone meal suspected of spreading BSE were removed from the food chain.

The commission recommended that Britain be allowed to export meat from animals born after August 1, 1996, when its feed ban and passport program were in place.

The recommendation will be studied by the EU's standing veterinary committee at a special meeting Friday, and, in theory, a decision could be taken by the committee the following week or by EU farm ministers at a meeting beginning June 22. But a number of countries are likely to draw out the approvals process because of past problems with British compliance and doubts about the reaction of their own consumers.

BRIEFLY



Horst Winkelmann, German envoy, leaving his residence near Minsk on Monday.

Belarus to Wait a Week
On Evictions of Envoys

MINSK, Belarus — Belarus vowed Wednesday to go ahead with plans to evict about 20 ambassadors from their residences, although it will delay the move by a week.

A Foreign Ministry spokesman stressed that the evictions had been delayed, not canceled. Belarus has said the evictions are necessary so renovation work can be done on the diplomats' homes.

Foreign Minister Ivan Antonovich met Tuesday evening and reiterated the need for the evictions to go ahead.

On Monday, Mr. Speckhard described the action as "without precedent since the Cold War" and said it constituted a violation of the Vienna Convention. About a dozen ambassadors are contesting the eviction plan.

Turks Suspend a Deal
To Buy French Missiles

ANKARA — Turkey has suspended the signing of a \$145 million accord to buy Eryx missiles from France's Aerospatiale in a bid to pressure the French Senate not to

recognize the 1915 deaths of Armenians as genocide, a French diplomat here announced.

Officials from Turkey's Foreign and Defense ministries declined to confirm the suspension of the deal for the shoulder-launched, anti-tank system.

Last month, the French National Assembly adopted a bill stating: "France publicly recognizes the Armenian genocide of 1915."

The bill is to be discussed this month in the Senate.

Armenians say Turks killed 1.5 million of their people. Ankara says thousands of Turks and Armenians died in 1915 fighting in what is now eastern Turkey. (Reuters)

Cyprus Defense System
To Be Tested in Russia

MOSCOW — Cyprus will test its new air defense system in Russia later this month, the Russian air force commander, Anatoli Kornukov, said Wednesday.

Turkey has threatened to use force to stop deployment.

The commander told reporters that Cyprus was scheduled to test the system at a base near Astrakhan, the Interfax press agency reported. He said officials would decide late this summer on whether to deliver the system. (AP)

A Power Struggle Rocks Westminster Abbey

By Sarah Lyall
New York Times Service

LONDON — Time moves slowly at Westminster Abbey, a church of high Anglican solemnity whose first inhabitant, King Edward the Confessor, has been resting in his tomb there for 900 years.

But when the Very Reverend Wisley Carr took over as dean in February 1997, it was as if a high-speed cheetah had careened into a field of stately, shuffling sheep. Quickly putting into place changes that had been discussed for some time, Mr. Carr embarked on a program called "Recovering the Calm," which sought to control the abbey's increasingly unruly crowds of tourists but which threw the church into an up-and-down tizzy.

While the church began charging nonworshippers an \$8 entrance fee, the new dean supervised the installation of closed-circuit television cameras; decreed that tour groups could have no more than 26 tourists, down from 50, and helped set up a one-way system to prod visitors into proceeding in an orderly fashion.

And, in a move that reportedly left some elderly people in tears, he told the church's volunteers that starting next year, they would have to retire at 75.

But it was when Mr. Carr made his next move — to suspend and then dismiss Martin Neary, the abbey's popular, distinguished and impeccably well-connected organist and master of the choristers — that he set in motion a dispute that has reverberated far beyond the church walls. It is a tale straight out of an An-

Unholy Row After Dean Fires Organist

thony Trollope novel, but with all the elements of a timeless power struggle: charges of financial impropriety, accusations of bullying and jealous high-handedness, even appeals to royalty.

On one side is the dean, who, with his four canons, runs perhaps the highest-profile church in England. Styled a "Royal Peculiar" because it is directly under the queen's jurisdiction, the abbey is the church where monarchs are crowned; where the funeral of Diana, the Princess of Wales, was held and where Dickens, Chaucer, Tennyson and others are buried.

On the other side, is Mr. Neary, internationally known musician, two-time president of the Royal College of Organists and, since 1988, holder of a position once occupied by Henry Purcell. Mr. Neary's fight to get his job back is being supported by an extraordinary group of establishment figures, including former Prime Minister Edward Heath; the composer John Tavener; a number of members of the House of Lords; John Gummer, a former cabinet minister, and Frank Field, the minister for welfare reform, who was recently moved to declare that the dean was "nothing but a bully" who had left Mr. Neary "dangling on a meat wire."

Money is behind the current dispute, which has at its heart a company established by Mr. Neary and his wife, Penny, the concert secretary, to handle the church choir's contracts and tours. The Nearys said that they had set up the company on the advice

of accountants, that it had saved the abbey money and that they had never tried to hide its existence. But Mr. Carr — backed by the abbey's canons — said that the company represented a conflict of interest and that it had unethically paid Mrs. Neary a \$2,400 "fixing fee" for organizing tours and the like.

"It is not the amounts of money that matter, but the lack of openness and the loss of trust," Mr. Carr told The Daily Telegraph.

So the dean dismissed the Nearys on the Thursday before Easter Sunday, reportedly rebuffing the services of a number of high-placed would-be mediators, including Lord Weir, former speaker of the House of Commons, and forcing the summary cancellation of the abbey's Easter concert.

The Nearys denied all the charges — "It's like suggesting Mother Teresa had run off with the community chest," one of their supporters said — and they appealed the decision. In a sign of the gravity of the matter, the case is to be heard by the lord chancellor himself, Britain's top legal official. If the Nearys should be reinstated, the dean might feel little choice but to resign.

The dean, 56, and previously the dean of Bristol Cathedral, is no longer speaking to reporters. "He is trying to maintain a dignified silence," said Emma St. John-Smith, a spokeswoman for the abbey.

Mr. Neary's supporters have de-

puted The Times of London with fur-

BOOKS

THE GREAT HILL STATIONS
OF ASIABy Barbara Crossette. Illustrated.
259 pages. \$28. Westview Press.

Reviewed by Alexander Frater

THE first Europeans to reach India were bewitched by its beauty and strangeness but shocked by its climate. In 1690 an English clergyman, James Ovington, noted that few survived more than a couple of miasmal rainy seasons — "Two moussoons are the Age of Man." A century later officials recorded the life expectancy for a European male as 31, for a female 28. Then, without knowing why — 6,000 feet (1,800 meters) is the ceiling of the malaria-bearing anopheles mosquito — people realized health lay high in the hills, so when the soaking, febrile heat of summer began stealing across the plains, the vicerey himself led the exodus.

For several months, ruling India from above the clouds, they enjoyed the luxury of sleeping under blankets, attended "ball after ball, each followed by a little backbiting," and built towns complete with tearooms, clubs, honeysuckle-framed cottages and pretty steeped churches. Though hill stations were a British-Indian innovation (96 of them went up), they soon began appearing in Indonesia, Burma, Sri Lanka, Malaysia, the Philippines, even Vietnam.

Barbara Crossette, the United Nations bureau chief for The New York Times, has reported extensively from the area and in 1996, while traveling through the uplands of Indonesian Sumatra, hit on the idea of making a high-altitude circuit through eight countries. Though she calls the result "only a travel book," "The Great Hill Stations of Asia" should be required reading for anyone contemplating an Asian journey; the region's history, politics, religion and economics are brilliantly summarized in a

series of crisp, scholarly briefings. Yet she also maintains a lively social curiosity: She finds the Vietnamese "warm, inquisitive, generous people who want to draw an outsider into whatever activity is at hand," while Burma, despite its evil administration, remains a country "blessed by nature, where there are always things to eat or sell and the means to live in dignity."

Of the 18 hill stations she visited, two had American connections. Kodakanal was founded as a summer retreat in 1845 by American missionaries 7,000 feet up in southern India's Palni Hills. Though the first church — roofed with Hundle and Palmer biscuit tins — was flattened by a mountain storm, the schoolhouse grew into the famous Kodakanal International School, still unequivocally American in its style and curriculum. Today, in season, up to 10,000 Indian tourists are bussed daily into Kodakanal — a reminder that Asia's hill stations, far from being derided as crumbling colonial relics, are enjoying a reincarnatory boom as Asia's prosperous postcolonial middle classes themselves swarm upward to enjoy cool air and mountain scenery.

Until the United States ceded it to the Philippines in 1991, the Club John Hay at Baguio, its cultural roots in the Poonas or upstate New York, was the only American hill station in Asia established for expatriates. Even as Crossette explored this quiet and beautiful spot, walked the gardens and visited "the silly little Cemetery of Negativism, where earnest Americans 'buried' bad things like sloth and mendacity," she knew the new tenants had plans for a luxury hotel, shopping mall and championship golf course.

Many young Asians, furiously building for the future, display a curious lack of interest in the past; for them Year 1 of the new ephemeris started on the day they kicked out their foreign oppressors.

This makes historical research chancy. She found bookshops and libraries in the

hill stations largely bereft of material, though in Sri Lanka's Nuwara Eliya, set among tea plantations, she got lucky and tracked down a reluctant 95-year-old historian.

Crossette has a weakness for hotels and writes about them at length, here complaining about the service, there the state in which previous guests have left them. "South Asians seem to me to be inexplicably hard on public buildings," she writes. "They scar walls, stain carpets and slash upholstery with remarkable casualness."

In the Sumatra highlands she stayed at the delightful Pusako at Bukittinggi, but seems to have missed the floor show in which impassive, barefooted female dancers jump vigorously up and down on piles of plates, reducing them to splinters. (She also neglects to mention the local duckraces; mallards with the musculature of ducks fly 110-yard sprints and win their owners one-tenth of an ounce of gold.)

Air-conditioning and antibiotics have changed the nature of life in the torrid zone. Tropical fatigue is now a recognized medical condition; you can get pills for it. The hill stations should be redundant, yet, as this surprising, entertaining and elegantly written book demonstrates, many continue to flourish.

Though Crossette often dwells necessarily in the past, her reportorial instincts remain on full alert. In Mandalay, for example, she found everyone talking about a new hospital for eye, ear, nose and throat specialists that had recently collapsed, crushing an unknown number of staff members and patients: "You won't read about that in the newspaper," someone said. "But we all know what is going on." Money laundering and corruption is what he meant.

Alexander Frater, whose most recent book is "Chasing the Monsoon," wrote this for The New York Times.

BRIDGE

By Alan Truscott

THE oldest event on the tournament calendar is the Goldman Pairs, first played in 1929 and won by the great Oswald Jacoby, with a forgotten figure, George Reith. It has almost always been played in Manhattan and almost always won by New York experts.

This year both generalizations failed. A contingent of the city's finest traveled to Stamford, Connecticut, last weekend, but all came home empty-handed. The winners were Victor King of Hartford and Margaret Williams, formerly of Connecticut but now living in Burlington, New Jersey. They are frequently successful in team events, but this was their best

result in match-point play. The winners defended well on the diagrammed deal from the final, taking advantage of a slight misjudgment by the declarer. After the opening weak two-bid in spades, North might well have raised directly to game. He got there anyway, after a two-no-trump inquiry and a three-heart rebid which showed, in the North-South methods, maximum values with a weak spade suit.

King, West, led a club, and South routinely played low from dummy, winning the queen with the king. Needing to be in dummy to play a trump, he crossed with a diamond to the queen. When East played low on the trump lead, South would have succeeded if he had guessed to

put up the king. But he made the normal play of the jack, losing to the queen.

Now King saw his way clear. He cashed the heart ace and led his remaining diamond, completing a high-low signal. Dummy won and led a trump, and Williams knew what to do after taking her ace. She led another diamond, and the spade 10 scored the setting trick.

Because of the danger of permitting the defense to develop a diamond ruff, there was a better plan. King points out that South should have won the first trick in dummy with the club ace and led a spade. It was likely that the first spade trick would be lost to West, and South could hope to dispose of the potential club loser even if West

held the queen. South could do nothing to avoid a club ruff, but he did not need to run any risks in diamonds.

NORTH			
♠ 8			
♥ K 8 7			
♦ A K Q 9 4			
♣ A 4 2			
WEST			
♠ Q 10 7			
♥ A 8 5			
♦ 10 8			
♣ 10 8 7 5 3			
EAST			
♠ A 2			
♥ Q 10 6 4 3 2			
♦ 7 6 3			
♣ Q 6			
SOUTH (D)			
♠ K 10 5 4 3			
♥ J			
♦ 7 5 2			
♣ K J 9			
Both sides were vulnerable. The bidding:			
South	West	North	East
2♠	Pass	3NT	Pass
3♠	Pass	4♠	Pass

West led the club five.

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15 Freed in East Timor Amid Shift in Jakarta

Habibie Proposes New Status for Territory

By Seth Mydans
New York Times Service

JAKARTA — For the first time in 20 years, the Indonesian government has signaled its willingness to address one of the sorest points in the country's international relations, the status of East Timor.

On Tuesday, President B. J. Habibie proposed that the territory, which Indonesia seized by force from Portuguese control in 1975, be granted a special administrative status, an idea that had been rejected by his predecessor, President Suharto. But Mr. Habibie ruled out the possibility of full independence for East Timor.

On Wednesday, Justice Minister Muladi announced that 15 East Timorese political prisoners would be freed, although he said the territory's independence leader, Xanana Gusmao, would remain in prison, where he is serving a 20-year sentence for plotting against the state and possessing illegal weapons.

The proposal for "special status" was immediately rejected as inadequate by separatists, who are demanding total freedom from Indonesian control. But in the new atmosphere of openness that has swept the country since Mr. Suharto's resignation on May 21, Mr. Habibie's proposal has touched off a free-wheeling debate, complete with raucous student demonstrations.

Foreign Minister Ali Alatas, who has for years taken a hard line on the question of East Timor, said Tuesday that the departure of Mr. Suharto offered an opportunity to reopen the issue.

"I think now is a good time to resolve our disagreement under the auspices of the United Nations Secretary General, who has taken the initiative over the years," he said.

Mr. Muladi has also begun taking a moderate position, breaking with the official line to call East Timor an "international issue" and suggesting last month that "We should change our position."

In a scene that would have been impossible under Mr. Suharto, several hundred students marched and chanted Wednesday on a campus in the East Timorese capital, Dili. Speakers at the rally demanded a referendum, the right to self-determination and a withdrawal of government troops who have suppressed a separatist insurgency with often-brutal tactics.

"Bring Suharto to the international court as a war criminal in East Timor," read a poster at the demonstration,

which was attended by several local political figures including a former governor, Manuel Viegas Carrascalao.

Witnesses said government troops, who have broken up student demonstrations by force in the past, stood by quietly, as they have during a rash of protest demonstrations elsewhere in the country since Mr. Habibie became president.

Indonesia invaded the former Portuguese colony in 1975 and annexed it as the nation's 27th province the following year. The move was condemned by the United Nations, which continues to regard Portugal as the administering power of East Timor.

In recent years, Indonesia has poured development funds into the territory, which is one of its poorest provinces. But it has also deployed thousands of troops and security officials, who have created an atmosphere of terror.

An often brutal separatist insurgency has battled government forces, and tens of thousands of lives have been lost.

The status of East Timor has been the single most difficult question for Indonesia in international forums. Human rights groups regularly document government abuses there.

In interviews with Reuters and the BBC on Tuesday, Mr. Habibie said his proposal was contingent on an agreement by the United Nations and Portugal to recognize Indonesian control of the territory and its 800,000 people.

He said political autonomy was not an option. "If you want to discuss it in that direction, there is no way you can discuss that with me," the president said. "No, we will not let that happen."

Indonesia fears that freedom for East Timor would encourage separatist movements elsewhere in this sprawling archipelago, particularly in the provinces of Aceh and Irian Jaya, where guerrillas are also battling the government.

The president's statements were immediately rejected by Jose Ramos Horta, who was awarded the 1996 Nobel Peace Prize for his separatist campaign.

"This is not a serious proposal, and I am stating unequivocally that we reject it," Mr. Ramos-Horta said, speaking by telephone from Harvard University.

His co-recipient of the Nobel Prize, the Roman Catholic Bishop Carlos Belo, speaking in Dili on Wednesday, urged protesters to avoid possible violence by confining their demonstration to the campus of East Timor University, where they sang rebel songs and waved outlawed rebel flags.



Members of the All Indonesian Labor Organization staging a protest Wednesday outside the Parliament building in Jakarta. They want compensation for workers who lost their jobs because of the currency crisis.

Death Toll at 225 In India Cyclone

The Associated Press

BOMBAY, India — Relief workers distributed food and searched for bodies in the debris of smashed homes on Wednesday after a cyclone tore through western India killing 225 people, injuring 1,200 and leaving hundreds of thousands homeless.

The toll from Tuesday's storm could rise. Many people remain missing, and relief workers have yet to reach some remote villages. The storm continued to produce high winds and rain Wednesday, but was no longer of cyclone strength.

The death toll was highest in Kutch district, where a 12-foot tidal wave flooded low-lying areas near Kandla, a port 330 miles northwest of Bombay.

As many as 140 people, including fishermen and port workers, drowned or were swept out to sea, government officials said. Others died when their houses collapsed on them. Some 125 people have been listed as missing, and officials said they feared the casualty figure could surpass 200 in Kutch alone.

Clinton Rebuffs U.S. Critics On Beijing's Welcoming Site

By John M. Broder
New York Times Service

WASHINGTON — President Bill Clinton has rejected appeals in the United States that he avoid a welcoming ceremony in Beijing's Tiananmen Square when he visits China this month. He said he could not dictate to China's leaders how they should receive him.

Appearing at a news conference with President Kim Dae Jung of South Korea, Mr. Clinton said that his scheduled appearance at Tiananmen Square, the center nine years ago of a violent crackdown on democratic protesters, did not signal endorsement of repression.

Last week, the House of Representatives voted, 305 to 116, to approve a nonbinding resolution demanding that the president avoid the historic square on his trip, which is to begin June 25.

"My own view," Mr. Clinton said Tuesday, "is that if this is going to be a state visit to China and I am going to be the guest of the Chinese," then "they should be designing the terms of the arrival ceremony, not me."

"And I simply don't accept the proposition," he added, "that observing their diplomatic protocol in any way undermines my capacity to advance the principles of the United States."

Addressing another issue that has generated opposition to his policy toward China, the president said his approval this year, over the objections of the Justice Department, of China's launching a U.S. satellite into orbit was "a pretty routine decision."

This was the first time that Mr. Clinton addressed questions from the press on the satellite deal, which is the subject of a congressional investigation. Some law makers are seeking to learn whether U.S. national security was harmed by the decision and whether the president had been influenced by large election contributions from Bernard Schwartz, chief executive of the satellite maker, Loral Space & Communications Ltd.

The White House has rejected a call from 152 members of Congress that Mr. Clinton postpone his visit until questions about possible influence on the space satellite have been resolved.

BRIEFLY

Protests Reported In Chinese City

BEIJING — Several hundred people staged anti-government protests Wednesday in a Chinese city that President Bill Clinton plans to visit later this month, a human-rights group based in Hong Kong said.

The second successive day of peaceful demonstrations in Xian involved two groups with different grievances, the Information Center of Human Rights and Democratic Movement in China said.

Some demonstrators were protesting the government's failure to give them new housing after they were evicted from their homes for redevelopment, the group said.

Others were protesting the city's decision ahead of Mr. Clinton's visit on June 25-26 not to let them work. (AP)

Bangladesh Rally Assails Peace Pact

KHAGRACHARI, Bangladesh — Thousands of protesters who traveled from all over Bangladesh, ended a two-day, anti-government rally at this southern town on Wednesday, voicing their opposition to a recent peace accord with tribes in the southeast.

An opposition leader, Khalida Zia, who led a stream of protesters 400 kilometers (260 miles) by bus and car from Dhaka, addressed a cheering crowd of 35,000 at the stadium where Prime Minister Hasina Wazed signed the accord six months ago.

The protesters say the accord with rebels from the Buddhist Chakma tribe gives them too much power at the expense of Muslim settlers from the north. (AP)

Malaysian Is Held

KUALA LUMPUR — Malaysian policemen detained the son of the parliamentary opposition leader Wednesday after he addressed a political meeting that authorities had banned, witnesses said.

The police took Lim Guan Eng, son of the Democratic Action Party secretary-general, Lim Kit Siang, into custody after he addressed about 2,000 political supporters outside a restaurant on the outskirts of the capital. (Reuters)

Ethiopians Report Troops Strike Hard At Eritreans

ADDIS ABABA — Ethiopia's army reported Wednesday that it had inflicted heavy losses on attacking Eritrean troops in a disputed territory of the Horn of Africa.

Official reported fighting in the area, which launched an attack on Ethiopia's position at Badme that has been destroyed, an Ethiopian spokesman said.

Eritrean losses included tanks, artillery and fighting equipment, the official, Selosse Tadesse, said.

Earlier, her office said that Eritrean troops had been killed in a clash at Erke Mamas, between Badme and Sheraro at 6 A.M. on Wednesday.

Known by Eritreans as Badme, the village is a triangle of land between the two countries.

Ethiopia as Badme is the site of a 1998 treaty of land between the two countries, which was signed by both sides.

No details of casualties were available from either side, but both sides on both sides of the border have seen wounded fighters.

The first clash was on May 12, the risk of full-blown war between the two countries.

Both sides have vowed to continue the fight.

Kim Nudges U.S.

By Brian Knowlton
New York Times Service

WASHINGTON — President Bill Clinton's decision to visit South Korea carried its appeal for a more balanced and composed North Korea before Congress, which was wary of whom President Bill Clinton would parry to Nelson Mandela.

House Approves Measure Aims to Stop R...

By Helen Dewar
New York Times Service

WASHINGTON — The House of Representatives has approved legislation aimed at stopping Iran, creating a conference with the White House over the issue of testing nuclear weapons.

Both houses of Congress approved the legislation, which would override a veto. The House passed the sanctions bill, 342 to 100, and now goes to the White House, where presidential aides have been likely.

Representative Porter Goss, Republican of Florida, said the measure was designed to stop Iran from testing nuclear weapons, to stop Iran from testing nuclear weapons, to stop Iran from testing nuclear weapons.

But the House measure, which would override a veto, would not be passed until the president signs it.

Mr. Goss said the measure would be passed by the House, but the president would not sign it.

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Ethiopia presented two Eritrean prisoners of war to reporters in the northern town of Adigrat.

"There were some with guns, and I was afraid because I didn't know what

Eritrea asked Egypt on Wednesday to help mediate in the conflict, delivering a letter to President Hosni Mubarak.

Mr. Videla could face charges of stealing children and having them illegally adopted under his rule, accord-

NOTES:

Charges Don't Stick

support in this effort. Both our nations need to be more confident, coordinated and composed in our relations with North Korea. We hope such an overall approach gives North Korea psychological room to open its mind and its doors."

But the House minority leader, Richard Gephardt, Democrat of Missouri, argued that passage gave "premature"

In 1961, he was the senior American diplomat in South Korea during a coup.

Dieter Roth, 68, German Artist
BASEL, Switzerland (AP) — Dieter Roth, 68, a German-born artist whose provocative works included art materials such as sausage, waste paper and howling dogs, died Friday at his home here, his family said.

After his "accumulation principle," in 1976 he declared 300 binders of his waste paper to be a work of art. In 1987, his exhibit in Hamburg included table cloths covered with random stains, notes and doodles. He often featured food — from chocolate-covered busts of Beethoven to sausage — and saw their deterioration in exhibits as foreshadowing his own death.

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OPINION/LETTERS

A Century Led by Europe, Not America

By Richard Pelle

BONN — In 1941, the publisher Henry Luce predicted that if the United States embraced its destiny as a global power, people throughout the world would be forced to acknowledge that this was the "American" century.

At the time, Mr. Luce's prophecy was ridiculed, even by Americans, as a typically extravagant pronouncement by a man with the grandiosity to call his magazine *Time*, *Life* and *Fortune*.

Now no one laughs at Mr. Luce. At a recent conference in Leipzig, German and American scholars were eager to resurrect Mr. Luce's hypothesis. The imprint of America's century, they argued, was discernible everywhere, from the Spanish-American War to the movie "Independence Day."

Soon we will be treated to similar assessments in newspaper and magazine articles and at many more academic symposiums. With the year 2000 approaching, which pundit or professor can resist a meditation on, or a requiem for, the American century?

Certainly not me. But maybe we should pause before endorsing the Lucean vision. Can the 20th century really be characterized as American? Or did the most important events of the past 100 years take place — just as they had in the 18th and 19th centuries — in Europe? Could our century be better described as the European, or even the totalitarian, century?

America's contributions to the century are indisputable. The United States has been a pioneer in mass production, mass consumption and mass culture, innovations that have magnified America's global influence and transformed

modern life. Because of the ubiquity of American products, advertisements, music, movies and television programs, people on every continent feel they are living in an Americanized world.

Yet Europe's wars and ideological conflicts have done far more to shape the

Europe's wars and ideological conflicts have done far more to shape the world than Hollywood or Disney.

way people think and act than Hollywood or Disneyland.

The manipulateness of America's mass culture has been inconsequential compared with the murderousness of Europe's mass movements. Europeans have therefore remained, unhappily, at the center of the world's history.

None of this means that Americans have not shared in the horrors of the 20th century. The United States had its own wars and imperial adventures in Cuba, the Philippines and Vietnam. And it has tried, often successfully, to exert its political and economic influence internationally. But for the old-fashioned kind of imperialism that led, before its collapse, to the political and military subjugation of whole continents, look to the British, the French, the Germans, the Italians, the Dutch and the Belgians.

More important, the world wars of the 20th century, while they eventually involved American armies, were cataclysmic for Europe. Where the first and second world wars left America intact, prosperous and powerful, Europeans spent the years after both wars — from 1917 until 1989 — living in the shadow of the totalitarian messiahs, along with their gulags and concentration camps.

The Bolshevik and Nazi revolutions, as well as the Cold War, were essentially struggles over the postwar fate of Europe. Indeed, the rise and fall of totalitarianism is the central political and human drama of the 20th century. And it is predominantly a European drama in which the United States played a significant but secondary role.

In the loftier realms of science and the arts, it is customarily said that after 1945 America became the home of Western culture. But the construction of the atom bomb, the emergence of abstract expressionism as a uniquely American form of painting and the evolution of American literature from Ernest Hemingway to Thomas Pynchon could not have occurred without the influence of European ideas or the flight

of academics and intellectuals from Nazi Germany to the United States.

Even the global popularity of American movies is inconceivable without the presence in Hollywood of European directors, cinematographers, set designers, writers and actors.

And as we near the end of the century, Europe is again engaged in the most important of contemporary arguments over economic integration, multinational mergers and the effort to achieve a balance between the free market and social welfare.

Was Henry Luce wrong? Not entirely. American power was crucial in ending Europe's wars, hot and cold. And America's economy and culture have changed how we all work, what we buy and how we entertain ourselves.

But in the domain of politics and diplomacy, where decisions can be for millions a matter of life and death, this has been — sometimes for the better but mostly for the worst — the European century.

The writer, a Fulbright professor at Bonn University, is the author of "Not Like Us: How Europeans Have Loved, Hated and Transformed American Culture Since World War II." He contributed this column to the *International Herald Tribune*.

The Rumor Mill: Beyond the Internet

By Frank Rich

NEW YORK — Contrary to published reports, the Internet did not kill Bob Hope.

The real culprit was Congress, whose members took to eulogizing the still-living comic from the floor last Friday on the basis of an advance obituary accidentally posted on an Associated Press Web site.

Had anyone in the House actually looked at the computer printout that cited the funeral oratory, he would have seen a patently dummy news story shot through with long strings of "XXXXXXX" as space holders.

But why let the facts ruin a touching impromptu memorial service being beamed to television viewers — voters — back home?

All the way around, it was human error, not computer error, that led to this gallow's comedy of errors. And there may have been no one who enjoyed the farce more than Matt Drudge, the Internet's self-styled Walter Winchell and the favorite poster boy of every commentator (me included) for journalistic impropriety in the new media age.

On his site, Mr. Drudge made fun of ABC News, which had broadcast Mr. Hope's "death" on its radio network. "In January," Mr. Drudge wrote with deadpan irony, "ABC News Nightline devoted a show to the perils of speed Internet reporting and the danger of false information being circulated on-line without fact checkers and editors."

ABC's gaffe hardly clears Mr. Drudge of his own egregious errors, one of which has led to a ferocious

libel suit. But about at least one thing, one big thing, he has been right, and he was right long before most of the rest of us recognized it: The Internet, speed and all, is shaking up the coverage and dissemination of news as has nothing else in the half-century since the proliferation of

MEANWHILE

television. It may one day even eclipse TV, much as TV long ago down-sized radio.

A new survey released on Monday talks in very unpolster-like language of the "astounding rate" of increase in the Internet news audience. In 1995, only 14 percent of Americans surfed the Net for news; now, just three years later, 36 percent do. In recent years the audience for print journalism has remained stable while the number of Americans who rely exclusively on TV's nightly broadcast news has fallen from 30 to 15 percent.

The same survey also showed that most Americans cite accuracy as by far the most important component of news, and that they distinguish clearly between credible brands like *The Wall Street Journal* (which 81 percent rate as largely accurate) and the *National Enquirer* (which only 7 percent do). Would these news consumers be turning to Internet news sources if they believed them to be intrinsically inaccurate? Hardly.

If anything, you could argue — as Mr. Drudge slyly did when addressing Washington's National Press Club last week — that it is the non-Internet media that have made the most notorious journalistic errors of late: the bogus eyewitness account of a Monica-Clinton tryst, the incrimination of Richard Jewell in the Olympics bombing, the serial publication of plagiarized and fictional stories in *The New Republic* magazine and, just three days after the Drudge speech, Bob Hope's "death."

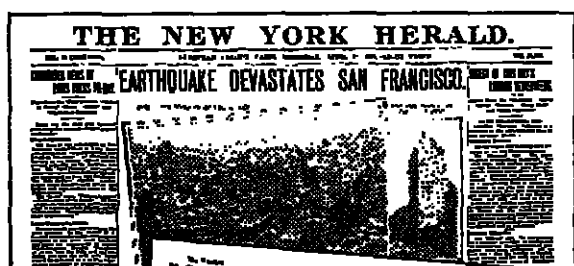
It is past time to retire the Internet as a scapegoat for journalistic ills; it is a medium, not a message, and it can be used as irresponsibly or as honorably as a printing press or a television network can.

Americans will surely distinguish between credible and tabloid news on the Net just as they do in other media. When Matt Drudge runs an inaccurate, unsubstantiated story, he pays — if not in court, then in how his audience perceives him. His undeniably entertaining site could end up as widely read as the *Enquirer* — and just as widely disbelieved. Or, with unassailable scoops, he could turn himself into the Net's Horace Greeley.

"The Internet is going to save the news business," Mr. Drudge declared at the Press Club. It is hard to fault him for striking back with such hyperbole at his critics within the journalistic establishment. Their reports that he and his new medium would kill the news business have proved as inaccurate as those of the death of Hope.

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LETTERS TO THE EDITOR

Failed 'Drug War'

Regarding "Big Names Sign Letter Criticizing War on Drugs" (June 10):

The "war on drugs" makes Prohibition look like a roaring success.

It has made the United States into the world's highest per capita jailer of its own people.

And while drug warriors express concern for children, an unregulated black market in drugs does nothing to protect young people — drug dealers are unlikely to ask for identification, as merchants of legal drugs like alcohol and tobacco are required to do.

Billions of dollars have been wasted on this drug war that could have gone to fund programs to help people with the disease of addiction.

I do not want my children to grow up in a police state created in the name of a drug-free world. It is time for the United States, as well as the international community, to rethink its drug policies.

TIMOTHY J. MEEHAN,

Toronto.

Drug prohibition has clearly failed. We must instead legalize and control the distribution of drugs. (This suggestion will not please those who profit from the present system.)

Crime levels would fall. More money would be available for education. Pressure on police, courts and prisons would drop. The dosage and quality of drugs could be controlled. And drug-taking would be deglamorized.

ALUN BURFAY,

Norfolk, England.

On Genocide

Regarding "Vote on 1915 'Genocide' Infuriates Turkey" (May 30):

Putting the word genocide in quotes is deeply insulting to any people who have undergone genocide.

As for Turkish sensibilities

about the "sad events" of World War I — the words of Prime Minister Mesut Yilmaz — Turkey until recently did not even acknowledge that there had been any such "events."

If Turks are sensitive about the issue of genocide, I can only hope that this sensitivity will prompt a recognition of the unimaginably brutal crime committed against the Armenian people by the Ottoman Empire. The name of the crime is genocide.

ARMEN SAHAKIAN,

Lisbon.

After four years of silence, the media are finally asking questions about the extent of the international community's indifference to the Rwandan genocide of 1994.

So far, criticism has been directed at states, for lacking the political will to stop the genocide, and at Kofi Annan. He is accused of having failed to respond appropriately to a fax sent by the head of UN forces in Rwanda, which warned of the planned extermination of the Tutsi. (Now UN secretary-general, Mr. Annan at the time was director of UN peacekeeping forces.)

For the assessment of the international community's record in Rwanda to be complete, however, another key player must take some measure of blame: the media itself, especially the media in America.

In the period leading up to the start of the killing in April 1994, the American media failed to cover the Rwandan drama even though an increasing number of human rights agencies were expressing alarm at worsening security conditions and human rights abuses. Once the massacres began, it took nearly a month for the media to describe what was taking place as a planned genocide and not just as spontaneous violence by mobs intent on tribal bloodletting.

CAROL McQUEEN,

Oxford, England.

TribTech

In Cybersuit,
The Maestro
Shows HeartBoston Pops Conductor
Wired for Night by MITBy Julie Flaherty
New York Times Service

BOSTON — "Respiration fine," a concerned technician said as he peered into his monitor. "Heart-beat is flaky, but it's there."

An emergency room scene? No. It was an hour before showtime and the debut of the "conductor's jacket," a piece of cyberclothing that keeps track of a director's vital signs while he leads an orchestra.

The subject, with sensors and wires hanging off him like tinfoil tentacles, was Keith Lockhart, the director of the Boston Pops orchestra, who was surrounded by a dozen academics from the Massachusetts Institute of Technology Media Lab.

Throughout the concert, in addition to his respiration and heart rate, the flashy red-and-silver jumpsuit recorded movements of his arms, neck and torso, as well as muscle tension and skin conductivity — determined by how much he perspired and if he was startled, for example by a misplaced symbol crash. More for the sake of performance than science, the computers also flashed his vital signs onto a screen suspended from the pipe organ.

The goal was to collect data that might explain how Mr. Lockhart's beat, timing, natural gestures and even emotion become music.

Although the jacket's creator, a graduate student, Teresa Marrin, studied violin and conducting as an undergraduate, her belief was once that "classical performing arts are not going to survive the millennium."

"The violin is a beautiful tool, a beautiful transducing of our expressive intentions," she said. "But I really felt that in order to keep ourselves as human beings engaged in this process of creating art that we'd need to have tools that make more sense in a modern context." Thus she is involved in the laboratory's creation of "hyperinstruments." Already the lab has constructed an average violin digitally enhanced to sound like a Stradivarius.

Not surprisingly, the showman conductor, who donned jogging shorts for the cover of his latest album, was nonplussed when shown the original design for a plain, white jacket that could be discreetly worn under his Armani tuxedo.

"We were willing to hide all of it, except for a tail," Professor Rosalind Picard said. Instead, Mr. Lockhart asked that it be more cyberfashionable, and beamed as he took the stage for "Tech



Mr. Lockhart conducting as his body's signals were translated into images.

Night," a concert for MIT alumni, in what he called his "Buck Rogers suit."

TO ADD to the spectacle, a specially created computer program translated his body's signals into an interpretive dance of geometric shapes that grew, swirled and changed color.

"It's a problem these days anyway that music, being a primarily aural medium in an extremely visual society, often suffers," Mr. Lockhart said. "The fact is frankly that most of the general public finds the frontiers of science perhaps more interesting than they find the

frontiers of the artistic experience."

The thumping tribute to John Philip Sousa did little to move Mr. Lockhart's flat-lining EKG (the result of a glitch in the computer, not his heart). But by the end of "The Sound of Music" medley, anyone would have thought Rodgers and Hammerstein had intended the accompaniment of the psychedelic orbs and cubes dancing overhead.

David Freedman, class of '48, said he would not call the spectacle art, but it was different from the stuff he learned in his college days. "We didn't even have transistors," he said.

High Tech From China's Ivory Tower

Inventor of Publishing Software Dominates the Domestic Market

By Steven Mufson
Washington Post Service

BEIJING — Wang Xuan has created a little slice of Silicon Valley here. Mr. Wang, who is a professor at Beijing University, also runs a modest-sized but profitable computer company called Founder (HK) Ltd. that commands 81 percent of the Chinese market for electronic publishing software.

It also integrates systems for banks, creates fingerprint-recognition systems for public security departments and assembles its own brand of personal computers from imported components.

Mr. Wang earns no more than the equivalent of a couple of hundred dollars a month as a university professor. But as a computer executive he earns more than \$200,000 a year and has stock options worth about \$5 million at the current stock price — figures that are still mind-boggling in what the governing Communist Party describes as a "socialist market economy."

Founder is held up these days as a model for China's economy: a high-technology, fast-growing company that serves the domestic market and is starting to compete in Japan as well.

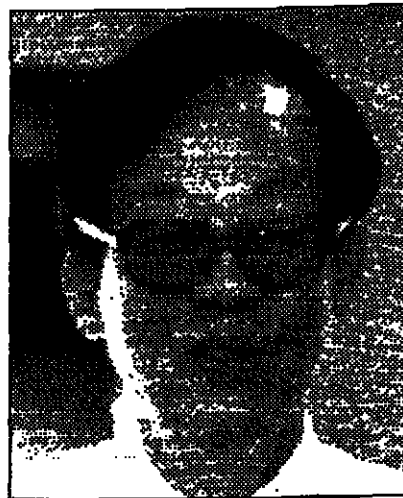
Bill Gates, the chairman of Microsoft Corp., has met with Mr. Wang, whose system is based on Microsoft's Windows. Analysts in Hong Kong are applauding the performance of the portion of the company that is listed there.

"They're a focused company," said Tim Funicane of Nikko Research Center (HK) Ltd.

"When the company was listed, a lot of people had a lot of doubts. People thought they'd diversify and use the money in other ways. But they have delivered what they said they'd deliver. It's a real software company."

FOUNDER also represents a trend in the commercialization of Chinese universities. A spin-off of Beijing University's computer research center, Founder is 46 percent owned by the university through a more diversified university-owned holding company named Beijing Founder. The holding company has ventures in activities as varied as real estate, chemical manufacturing and cosmetics, and it generates about \$3.6 million a year for the university.

Founder is one of several commercial ventures for Beijing University. Once exclusively funded by the government, the university now finances a third of its budget from the profits from commercial ventures. University officials, including the university Communist Party secretary, sit on the boards of the companies and collect substantial directors' fees.



Wang Xuan, the head of Founder.

Founder's ties to the university and its well-connected board of directors give the company an edge in competing for contracts from state-owned newspapers, television stations and banks. Mr. Wang himself has become a member of the National People's Congress, China's legislature.

IN ADDITION to connections, the company gets research. Founder pays from \$120,000 to \$240,000 a year to the university and in return gets the rights to all the research at the university's computer institute. The company also supplements the stipends of 60 graduate students, part of the 600 engineers working as researchers for Founder.

Though Founder has diversified, its main profit center is its niche in publishing software, providing about 60 percent of the company's profits. Founder has capitalized on the complexity of written Chinese, which uses about 20,000 different characters. Until 1987, Chinese newspapers were still using laborious lead type to typeset their pages.

Mr. Wang used mathematical formulas to come up with a software program for Chinese publishing. He decided to skip over the two generations of computer publishing then in use and devised a dot-matrix program and a way to reduce the amount of computer memory needed to store the program. He used laser printing techniques.

Founder's software has evolved into a sophisticated typesetting and layout software.

In addition to selling software to virtually every major Chinese daily newspaper, Founder has supplied its system to Chinese-language papers in Malaysia, the United States and Taiwan. Customers range from the Chinese Communist Party organ, the People's Daily,

to a paper owned by the Nationalist Party in Taiwan.

Mr. Wang pulls out a copy of a Taiwanese newspaper that has used Founder's software to fuse the head of the president of Taiwan, Lee Teng-hui, onto the body of Michael Jordan doing a behind-the-head dunk shot.

While revolutionary when Mr. Wang developed it, Founder's style of computer publishing is now commonplace. Most Chinese newspapers use some form of computer publishing, either Founder's or one of its main competitors in Chinese-language software, including Quark Express and Adobe.

Founder has also come up with a software system for television stations to manage work flow and produce animation. Its first customers have signed contracts, and with 3,000 television stations in China, Mr. Wang hopes this will prove profitable.

The company has also sold fingerprint database systems to public security bureaus in 30 cities, including Shanghai, Guangzhou and Hangzhou. In an authoritarian country with a population of 1.2 billion, "the potential market is obvious," Mr. Wang said.

And last week, Founder announced that it would start a \$20 million joint venture with Digital Equipment Corp. of Maynard, Massachusetts, to provide computer network and systems integration services for Chinese customers.

All this is a far cry from Mr. Wang's situation 30 years ago, during the Cultural Revolution. At that time, youthful Red Guards who worshipped Mao Zedong and attacked anything that smacked of foreign or ancient culture targeted Beijing University's small computer science department.

Mr. Wang was treated relatively leniently, being banished from the university but allowed to work at home on developing his own computer language.

MEMBERS of today's younger generation are not persecuting computer jockeys. They are joining them. Founder's chief of research is 41. Of the company's 50 directors and deputy directors responsible for the technical division, 90 percent are under the age of 35. Half are under the age of 30.

Mr. Wang, who is 61, says he will retire in two years.

He is eager to avoid the mistakes made by the pioneers of such U.S. computer companies as Cray Research Inc., Wang Laboratories Inc. and Digital, who stayed too long and watched their companies decline.

"A younger generation is replacing my role," Mr. Wang said, "because in computers, younger people are superior to the older generation."

BRIEFLY

• **BBC'S DIGITAL DISPLAY:** British viewers at selected sites around the country will get a sneak peek of the BBC's planned digital television services this week with previews of a World Cup-related sports service.

The BBC said it began previewing the terrestrial service Wednesday at Heathrow airport lounges, a handful of county shows, and with a giant video screen at the Trocadero complex in London.

The trial will last for the duration of the World Cup as the BBC gears up for the full-blown launch of digital terrestrial TV this autumn. Later this month, the BBC plans to start transmitting its core BBC1 and BBC2 channels and BBC News 24 in the new wide-screen format, as well as a new BBC Choice preview channel via satellite.

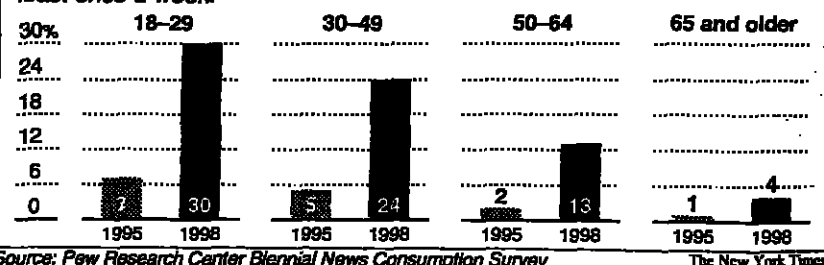
Digital TV services will offer consumers improved sound and picture, as well as interactive services and a plethora of channels compared with the four or five analogue TV channels that British viewers without cable or satellite services currently receive. (Reuters)

• **NBC SNAPS UP SNAP:** Venturing into the most competitive area of the Internet, NBC has agreed to buy a controlling stake in Snap, an upstart search and directory service, from its creator, C-Net Inc. The network said it was also buying a 4.9 percent stake in C-Net.

NBC, a unit of the General Electric Co., is endorsing the view that Internet directory companies, or search engines, such as Yahoo Inc. and Excite Inc., are

Getting Their News Online

Percentage of adults in each age group who go online to get their news at least once a week.



emerging as the cornerstones of profitable on-line ventures. Such portals, as the directory sites have come to be called, have started charging large fees from World Wide Web sites to which they direct Internet users.

The deal, the cost of which could total \$39 million by the time it is completed, represents the first time a broadcast network has entered the Internet portal market, although all the networks have built or acquired various sites that offer content such as news, sports or entertainment. (NYT)

• **NEWS JUNKIES ON-LINE:** The number of Americans reading news on the Internet is growing quickly, according to a study released this week.

The Pew Research Center study found that 20 percent of Americans use the worldwide network at least once a week to satisfy their appetite for in-

formation. But most people said they use the Internet to supplement, not replace, their traditional sources of news. Two years ago, just 6 percent went online for news, the survey showed.

Readership of daily newspapers remained "remarkably stable," the study said. It found that Americans continue to rely heavily on their daily paper as a primary source of news, with 68 percent reading regularly, not much different from the center's 1996 study. (AP)

• **NEW SUPERCOMPUTERS:** NEC Corp. plans to bring to market in December a new line of supercomputers, powerful machines used by scientists to perform complex tasks such as forecasting the weather.

NEC's SX-5 supercomputers can process calculations about four times as quickly as their predecessors, the SX-4 line of computers, and can store about eight times as much information, said Chris Shimizu, an NEC spokesman.

The SX-5 will compete with Fujitsu Ltd.'s VPP700E, released last year, and California-based Silicon Graphics Inc.'s Cray supercomputers.

Monthly rental for the SX-5s starts from 20 million yen (\$142,000), NEC said.

• **IRRATIONAL FRAUD FEARS:** Fear of fraud rather than fear of flying has held back the growth of air travel sales on the Internet, travel industry specialists told the International Air Transport Association annual general meeting this week in Montreal.

But that will not stop air travel from becoming the biggest selling consumer item on the Net by 2002, according to recent forecasts.

Concern about the security of credit card information transmitted on-line is the reason most frequently cited for why a majority of travel shoppers do not end up completing a purchase, a panel of electronic commerce experts said.

Last year, there was not a single report of theft of credit card information processed using the secure encryption facility built into the two main Internet browsers, Netscape Navigator and Microsoft Explorer, said Terrell Jones, chief information officer of the Sabre Group, which provides on-line flight information. (Reuters)

ALT/Commentary

The Net Is Not Ready to Save the World

By Victoria Shannon
International Herald Tribune

PARIS — Like an unrepentant child of the '60s, I believed that the Internet would save the world.

In a manner of speaking, of course. In the early 1990s, when the power and passion of the Internet was dawning on the world, I was drawn to the promise of our becoming a genuine global village, a planet without borders.

It truly seemed possible that business, information and entertainment on the Internet would be blind to borders, instantaneous and free — well, O.K., competitively priced. I finally conceded. People of all nations would learn to play well with others because we would all have the same rules, the same standards, the same lingua franca: the Internet.

A few unrelated events in the past couple of weeks have served to both dull and stir that hope. Now I just think the Internet is too adolescent to be a worldwide savior of anything quite yet.

The incident that got the most public attention was the verdict against the former CompuServe Deutschland manager.

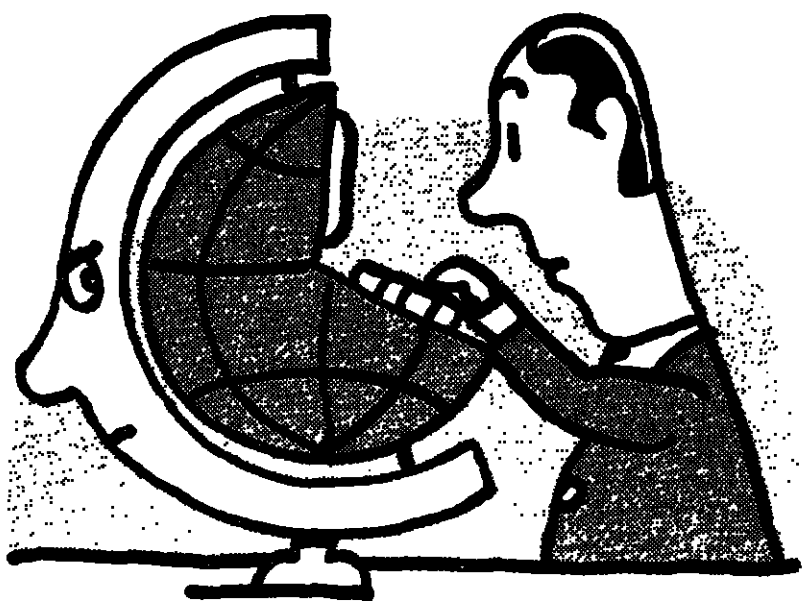
A Munich judge last month ruled that the on-line service official was guilty of spreading pornography because he failed to block subscribers' access to Internet sites that violated German law.

This appeals for myriad reasons: a) current German law does not hold service providers responsible for content they do not create; b) the defense team as well as the prosecutors in the case had recommended acquitting the manager; c) CompuServe had actually caved in to early threats from German investigators and temporarily blocked about 200 Internet sites, and the most obvious, d) the sites in question weren't even in Germany.

The verdict, as The New York Times said, was "a victory for the notion that national law can be applied to something as amorphous and borderless as the Internet."

Even the European Commission was left scratching its figurative head. "The commission has learned of this decision with a certain astonishment," a spokesman, Jochen Kubosch, said. "This proves once again the need for talks at an international level about this type of problem."

No kidding. Just as companies find national cultures and traditions sometimes insur-



mountable barriers to doing business abroad, so too with the allegedly boundary-free Internet. It seems we're seeing more, not less, parochial or simply selfish Internet reactionism. The more popular it becomes in far-flung locales, the more the Internet strikes people as a way to make as much money as fast as possible without regard to the long-term health of the system.

On one aspect of people making money on the Internet, we have arrived at a temporary stalemate. Where the

It seems we're seeing more, not less, parochial or simply selfish Internet reactionism.

United States and the European Union want to keep free from taxes the sales of goods delivered electronically, many other countries want to keep the right to collect those taxes.

Should the Internet be exempt from a government's sovereign right to taxation?

The World Trade Organization, in choosing a couple of weeks ago to delay resolving the impasse for another year, has accidentally sided with "e-commerce" and with keeping the Internet from dissolving into another battlefield in the trade wars. A duty-free Internet is a competitive one, with a level playing field.

At least for the next year. There is, of course, no promise that the same will happen when the WTO takes it up

again in 1999.

Finally, lifting my hopes for a better Internet tomorrow, the United States last week withdrew a plan to regulate the assignment of Internet addresses. After months of international outcry about the heavy-handedness of its involvement, the Commerce Department's new proposal gives the responsibility back to Net itself and an international, non-profit volunteer group of activists.

In light of the recent environment of nationalism, the decision was refreshing — and unexpected. And perhaps a little scary: Could this be the model for a global plan to study and regulate other Internet issues? Is there the seed of a United Nations of the Internet here? Is there any way the Internet could be in fact self-regulating on an international basis?

Is it still possible that the Internet could indeed save the world, at least from itself?

Internetizens watching these issues converge are suffering the same kind of indignation as they did after the passage of the U.S. Communications Decency Act of 1996 outlawing "indecent" material viewable by minors on-line.

The Supreme Court struck down the act a year ago as an unconstitutional restraint of free speech. Would that there were a global cyber equivalent of the high court to put right the rest of these wrongs as well.

Victoria Shannon edits TribTech. She can be e-mailed at: tribtech@iht.com.

TECHNOLOGY INDEX

A glance at technology stock indexes around the world			
North America	Tuesday close	% change previous week	% change year to date
Pacific Stock Exchange Technology	338.84	+8.88	+16.62
Standard & Poor's Technology Composite	847.62	+3.18	+21.10
Europe			
Morgan Stanley Eurotec	583.72	+4.23	+51.53
Asia			
Topix Electric	1783.38	+0.88	+8.47

Source: Morgan Stanley, Bloomberg News

For technology articles from the past week, see the Technology Index on the IHT's World Wide Web site at <http://www.ihl.com>. Articles include:

- Alcatel to Buy Network Leader, June 5
- The Internet Needs Light Regulation, June 5
- Motorola, Hit Hard by Asia, To Eliminate 15,000 Jobs, June 6
- A Risky Run on High-Technology Issues, June 6
- Plan Aims to Keep Web a Private Affair, June 6
- Samsung To Cut Chip Production, June 9
- What to Do When the Chipmakers Are Down, June 9
- Cable & Wireless Chief Focuses on U.S., June 9
- State-Run Computer Firm Dominates in China, June 9
- Intel Suit: An Odd and Difficult Case to Prove, June 10

To reach TribTech editors or to comment on IHT technology coverage, send e-mail to tribtech@iht.com.

International Herald Tribune

Clock Ticks,
But Brittan
Pushes OnEU Trade Commissioner
Hurries to Make His Mark

By Alan Friedman

PARIS — For years, the best pupil in the class, the intellectually gifted European Commission Commissioner Leon Brittan, has been a bit of a pushover.

But time is standing still. Brittan, 54, has been in the commission for more than 10 years.

Among the friends of Jacques Chirac, Brittan has been a vocal advocate of the "push too quick" trade negotiations.

"Yes," Sir Leon said, "I have been a bit of a pushover."

Characteristically, French president Chirac has been a vocal advocate of the "push too quick" trade negotiations.

That term, "push too quick," has been a vocal advocate of the "push too quick" trade negotiations.

Leon is a bit of a pushover. He has been in the commission for more than 10 years.

Asked if he would say he is a pushover, Brittan said he would not say he is a pushover.

Sir Leon noted that he will have served in the total of 11 years — a long time.

European officials say he is a pushover. He has been in the commission for more than 10 years.

He is eager to avoid the mistakes made by the pioneers of such U.S. computer companies as Cray Research Inc., Wang Laboratories Inc. and Digital, who stayed too long and watched their companies decline.

"A younger generation is replacing my role," Mr. Wang said, "because in computers, younger people are superior to the older generation."

But that will not stop air travel from becoming the biggest selling consumer item on the Net by 2002, according to recent forecasts.

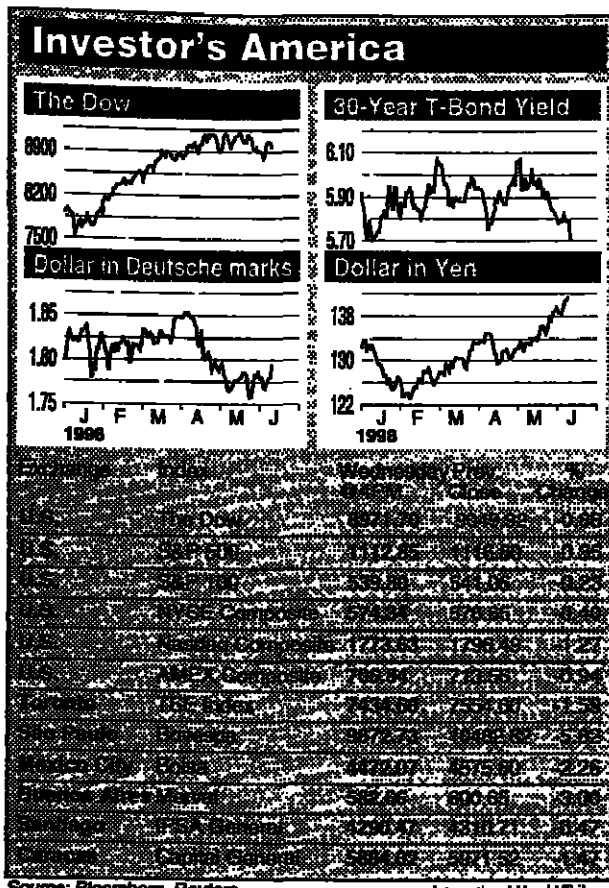
Concern about the security of credit card information transmitted on-line is the reason most frequently cited for why a majority of travel shoppers do not end up completing a purchase, a panel of electronic commerce experts said.

Last year, there was not a single report of theft of credit card information processed using the secure encryption facility built into the two main Internet browsers, Netscape Navigator and Microsoft Explorer, said Terrell Jones, chief information officer of the Sabre Group, which provides on-line flight information. (Reuters)

CURRENCY

Cross Rates	1998	1997	1996	1995	1994	1993	1992	1991	1990	1989	1988	1987	1986	1985	1984	1983	1982	1981	1980	1979	1978	1977	1976	1975	1974	1973	1972	1971	1970	1969	1968	1967	1966	1965	1964	1963	1962	1961	1960	1959	1958	1957	1956	1955	1954	1953	1952	1951	1950	1949	1948	1947	1946	1945	1944	1943	1942	1941	1940	1939	1938	1937	1936	1935	1934	1933	1932	1931	1930	1929	1928	1927	1926	1925	1924	1923	1922	1921	1920	1919	1918	1917	1916	1915	1914	1913	1912	1911	1910	1909	1908	1907	1906	1905	1904	1903	1902	1901	1900	1899	1898	1897	1896	1895	1894	1893	1892	1891	1890	1889	1888	1887	1886	1885	1884	1883	1882	1881	1880	1879	1878	1877	1876	1875	1874	1873	1872	1871	1870	1869	1868	1867	1866	1865	1864	1863	1862	1861	1860	1859	1858	1857	1856	1855	1854	1853	1852	1851	1850	1849	1848	1847	1846	1845	1844	1843	1842	1841	1840	1839	1838	1837	1836	1835	1834	1833	1832	1831	1830	1829	1828	1827	1826	1825	1824	1823	1822	1821	1820	1819	1818	1817	1816	1815	1814	1813	1812	1811	1810	1809	1808	1807	1806	1805	1804	1803	1802	1801	1800	1799	1798	1797	1796	1795	1794	1793	1792	1791	1790	1789	1788	1787	1786	1785	1784	1783	1782	1781	1780	1779	1778	1777	1776	1775	1774	1773	1772	1771	1770	1769	1768	1767	1766	1765	1764	1763	1762	1761	1760	1759	1758	1757	1756	1755	1754	1753	1752	1751	1
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THE AMERICAS



Very briefly:

- Honda Motor Co., the second-biggest foreign carmaker in the United States, reached a settlement allowing Republic Industries Inc. to buy Honda and Acura dealerships.
- Digital Equipment Corp.'s chairman, Robert Palmer, will leave the company in July, just weeks after the completion of Compaq Computer Corp.'s \$9 billion purchase of Digital.
- Northern Telecom Ltd., the second-largest maker of phone equipment in North America, wants to buy small data-networking companies to improve its products for carrying Internet traffic, its chief executive, John Roth, said.
- Wal-Mart Stores Inc. has permits to build prototypes in three Arkansas cities of stores that sell food and drugs, and it hopes to open them this year.
- Benihana Inc.'s founder, Rocky Aoki, has been accused of making more than \$590,000 in an insider-trading scheme. The alleged trading did not involve Benihana, a Japanese steak house chain.
- Brazil set a 13.5 billion reais (\$11.72 billion) minimum price tag on Teleco de Brasilia SA, known as Telebras, but bidders were expected to pay considerably more for Latin America's largest telephone company in the July 29 auction.
- Health Care & Retirement Corp. and Manor Care Inc. agreed to merge in a stock swap valued at about \$2.9 billion, including assumed debt, combining two of the biggest U.S. nursing-home operators.
- Koo Koo Roo Inc., a chicken restaurant chain headed by Lee Iacocca, agreed to be bought by Family Restaurants Inc., which is controlled by the financiers Leon Black and Leonard Green, in a stock swap valued at about \$143.8 million.
- Wolters Kluwer NV, the second-largest Dutch publisher, agreed to buy Plenum Publishing Corp. of the United States for \$258 million in cash to bolster its scientific publishing unit.
- Lattice Semiconductor Corp. warned that sales and earnings would be lower than expected in the chipmaker's first quarter due to slowing demand in Asia.

Boeing, Hit by Asia, to Cut 747 Line by a Third

Bloomberg News

SEATTLE — Boeing Co., the world's largest aircraft maker, will cut production of its 747 jumbo jets by 30 percent next year because the economic slump in Asia has prompted airlines to delay deliveries and to order smaller planes.

Seattle-based Boeing plans to reduce output of the 747, its most-profitable plane, to 3.5 jets a month in the second quarter of 1999 from five in this year's third quarter, and make five of its 777 long-distance two-engine jetliners a month in the fourth quarter of next year, down from seven now.

More job cuts are possible, Boeing said last Tuesday. The company already announced plans to eliminate 20,000 jobs over the last six months.

While Boeing also said it planned to make a record 51 planes a month in the first quarter of 1999, the 747

cuts were deeper than some expected. The increase in total production shows that airlines are continuing to order new planes even as Boeing struggles to iron out assembly-line bottlenecks on its 737, its best-selling plane.

The 747 plans are "a little lower than people thought," said Bill Whitlow, a portfolio manager with Safeco Northwest Fund, which owns shares in Boeing. "But that's not surprising," given what's happened in Asia.

Demand for the 747, which carries as many as 416 passengers, has weakened as air travel slowed in battered Asian economies. Asian airlines have been the biggest customers for Boeing's largest plane.

"The continued slow traffic growth in Asia has caused some airlines to negotiate slides in deliveries of their 1999 747 orders or to substitute other Boeing airplanes

models for their existing 747 orders," said Fred Mitchell, Boeing Commercial Airplane Group's executive vice president of airplane production.

The 747 is considered by analysts to be Boeing's most profitable plane. The lower-than-expected production next year could cause analysts to cut earnings estimates.

Boeing's shares have fallen 18 percent in the past year. It closed Wednesday at \$45.37, down 62.5 cents.

Boeing said it is making a total of 47 planes a month and plans to increase that number to 49 in the third quarter, Boeing said. But Bill Johnson, the head of Local 751 of the International Aerospace Machinists union, said output had yet to reach 47 a month.

Boeing plans to step up production of its updated 737 jetliner to 21 a month in the third quarter and to 24

planes a month in second quarter of next year, compared with the 14 it makes now.

The company expects to reduce production of its 777 long-distance jetliner to five a month in the final quarter of 1999 from seven a month in each of the first three quarters of next year, reflecting worldwide demand for the aircraft. It expects to return to seven 777s a month in 2000.

Boeing's production woes surfaced in October as the company had almost doubled production in the previous 18 months, trying to meet soaring demand from airlines.

As Boeing works to solve its manufacturing problems that caused orders to pile up, its European rival, Airbus Industrie, has pulled ahead in the race for orders. Airbus received orders for 185 aircraft in the first quarter, compared with 116 aircraft for Boeing, according to the trade publication Aerospace Daily.

GREENSPAN: In General, Upbeat on the U.S. Economy

Continued from Page 1

economy is growing faster than is sustainable.

"Basically, he stated that the economy will have to slow and then he mentioned some things that might do it, and then he stated, 'If that doesn't slow the economy, I will.'"

Among these factors is a decrease in the pool of available workers. Mr. Greenspan said that the number of people working has been rising 2 percent a year since 1995, while population growth, including immigration, has been only 1 percent.

This trend cannot continue indefinitely, Mr. Greenspan said. In May there were about 9.7 million people who wanted jobs and did not have them, slightly more than 5.5 percent of the working-age population. That is a record low for the 28-year-old measure — which is distinct from the unemployment rate, which was 4.3 percent last month.

Other reasons for a slowdown in the U.S. economy — which expanded at a 4.8 percent annual rate in the first quarter, well above the Fed's expected range of 2 percent to 2.75 percent for all of this year — are reduced exports to Asia as a result of the economic crisis there and a possible narrowing of corporate profit margins that would curb the stock market and thus discourage consumption.

Mr. Greenspan also said, "The clearly unsustainable rise of inventories that has been evident in recent

quarters will be slowing at some point, perhaps abruptly."

Inventory accumulation was cited as the reason the economy was so strong in the first quarter. Mr. Kimball said that while the situation that Mr. Greenspan outlined bodes well for inflation-sensitive bonds, the outlook for the stock market was far less optimistic.

The Fed chairman said, "Investors seem to be expecting that low inflation and stronger productivity

growth will allow the extraordinary growth of profits to be extended into the distant future."

If productivity growth is so high, Mr. Kimball said, then the rise in employment does not make much sense. Companies should be expanding their output solely through efficiency increases, he said, not by adding workers.

"We might be in a new era," he said, "and that might mean 3 percent GDP growth or 3.5 percent, but it is not 5 or 6 percent."

Responding to a question after his speech, Mr. Greenspan said he would prefer that the federal government retain expected budgetary surpluses, but if that was not politically feasible he preferred tax cuts to spending increases.

While Treasury bond prices rose on relief that Mr. Greenspan did not signal an imminent rate increase, stocks fell on concerns about cor-

Tobacco Loses A Legal Round In Florida Case

Bloomberg News

JACKSONVILLE, Fla. — Brown & Williamson Tobacco Corp. was ordered to pay compensatory damages of \$552,000 in a Florida trial on Wednesday, a rare and unexpected courtroom defeat for the tobacco industry that could further damage its efforts in Congress to win protection from future lawsuits.

The jury found the unit of Britain's BAT Industries PLC negligent in the design and manufacture of Lucky Strike cigarettes, and awarded the estate of Roland Maddox \$500,000 in compensatory damages and another \$52,000 to his insurer to cover his medical costs.

The courtroom defeat was the tobacco industry's third in four decades of litigation. It could hurt the industry's chances of getting national legislation that would settle state suits seeking to recover health-care costs and provide protection from future lawsuits, analysts said.

Shares of tobacco companies dropped after the verdict. BAT's American depositary receipts closed down 62.5 cents, at \$19.5625, to close at \$38, and RJR Nabisco Holdings Corp. fell 87.5 cents, to \$26.

Dollar Rises As G-7 Fails To Lift Yen

Bloomberg News

NEW YORK — The dollar rose strongly against other major currencies Wednesday on signs that world leaders were not ready to bolster the yen or offer a concrete aid package for Russia.

The dollar moved higher against the yen after stock markets across Asia tumbled, sparking concern that the region's economies would face more tough times.

Japan's economy faces recession after seven years of anemic growth. Plans for tax cuts and increased

FOREIGN EXCHANGE

spending introduced by the government to lift the economy have done little to fuel growth, leaving the yen to drift lower and Japan unable to lead the region onto a growth path.

"The contagion is becoming a plague, and you're seeing substantial moves in Asian markets," said Doug York, a fund manager at Campbell & Co. "International investors are taking a hard look at Asia and they're saying, 'Europe and the U.S. look better.'"

The fact that the yen has been allowed to fall this far without central banks intervening to try to stop the slide has sparked a chain reaction of selling. In 4 P.M. trading, the dollar rose to 141.58 yen from 140.20 yen Tuesday.

The dollar gained against the Deutsche mark, meanwhile, on renewed worries about Russia's economy. Germany is Russia's biggest lender, so the prospect of a Russian default or devaluation of the ruble undermines the mark.

The dollar rose to 1.7955 DM from 1.7800 DM Tuesday. It rose to 6.0215 French francs from 5.9685 francs and to 1.4858 Swiss francs from 1.4760 francs. The pound fell to \$1.6295 from \$1.6365.

The renewed concern over Russia came after Moscow failed to secure enough money to cover debt payments due this week.

Russia raised about \$740 million in three government debt auctions, less than the \$1.1 billion it needs to meet its debt costs. Russia will probably have to dip into its dwindling \$10 billion of reserves to avert a default, fueling concern it might devalue the ruble.

Worries that leaders from the Group of Seven industrialized countries, meeting in Paris, will not come up with a new aid package for Russia also hurt the mark.

U. S. STOCK MARKET DIARY

June 10, 1998

High Low Last Chg

Dow Jones 7142.71 7142.71 7142.71 -2.22

S&P 500 1069.25 1069.25 1069.25 -0.15

Nasdaq 2789.14 2789.14 2789.14 -0.15

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Trading Activity

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INTERNATIONAL FUTURES

June 10, 1998

High Low Last Chg

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SOYBEAN (CBOT) 125.00 125.00 125.00 -0.15

WHEAT (CBOT) 125.00 125.00 125.00 -0.15

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INTERNATIONAL FUTURES

June 10, 1998

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a Third Dollar
As Good
To Last

EU Bank Appoints German Spokesman

By John Schmid
International Herald Tribune

FRANKFURT — The man who speaks for the Bundesbank will now speak for Europe.

The European Central Bank, which is modeled after the German national bank, hired the German bank's chief spokesman Wednesday to help deliver its message to the public.

The appointment of Manfred Koerber helps deepen the Bundesbank's imprint on the newly minted European Central Bank at a time when the institution's reputation is recovering from an overt political feud last month over the nationalities of its top appointments.

The new bank said Mr. Koerber had been named director for external relations. He will oversee the

press department as well as other operations, including the archives, library and translation services.

Apart from the five men and one woman on the bank's executive council and the governors from the 11 national central banks on its governing board, Mr. Koerber's position is one of the most sensitive and prominent at the new bank. Mr. Koerber will report directly to Wim Duisenberg, the president.

The Bundesbank is the largest shareholder in the European Central Bank, with 24.4 percent, well below the Bank of France, which has 16.8 percent.

But the Bundesbank's influence over the new bank extends far further. In addition to providing the underlying hard-money, anti-inflation philosophy and its location in the Bundesbank's hometown of Frankfurt, the German central bank also has furnished some of its key leaders.

Besides Mr. Koerber, 59, who spent 25 years at the Bundesbank, the chief economist on the executive council, Oskar Issing, had been the Bundesbank's chief economist since 1990.

Of the 16 directorate positions just below the board level, three are slated for candidates from the Bundesbank. Those posts include the directorate general for international and European relations, which is expected to go to Bernd Goos, who holds the same job at the Bundesbank. By contrast, only one Bank of France candidate is under consideration for one of the top 16 staff posts.

Even Mr. Duisenberg — a disciple of the Bundesbank's strict policies — has been called a "clone" of the Bundesbank by the French, who opposed his nomination.

A spokeswoman at the European Central Bank said the main criteria for such posts were qualifications, not nationalities.

U.S. Executive To Quit Lufthansa

International Herald Tribune

FRANKFURT — Frederick Reid, the American manager who helped achieve a dramatic turnaround at Lufthansa AG, said Wednesday that he was leaving the German airline.

Mr. Reid, who last year was named chairman of the flag carrier's passenger-service board, helped design Lufthansa's Star Alliance of partnerships with five other carriers, including United Airlines.

Mr. Reid, 48, arrived at Lufthansa in 1991 as the airline began a three-year string of losses. He will join Delta Airlines, leaving Lufthansa "at his own request," the airline said.



MOVE TO THE TOP — Rana Talwar, executive director of Standard Chartered PLC, who was named Wednesday to replace Malcolm Williamson as the bank's chief executive.

ABN-AMRO to Narrow Focus

Bloomberg News

BANGKOK — ABN-AMRO Holding NV, fresh from its defeat in a takeover bid for Belgium's biggest bank, plans to focus its expansion for the time being on moves to buy small and midsize lenders with well-defined local markets, its chief executive, Jan Kalff, said Wednesday.

Much of expansion for the largest Dutch bank will be in the United States and Southeast Asia, Mr. Kalff said in Bangkok, where he is visiting for discussions ahead of the completion of a \$174-million takeover of Bank of Asia PLC.

After losing out in its bid for Generale de Banque SA of Belgium, AMRO is not keen to try another takeover of a big European bank, unless its bid will encounter no resistance from the target's management and regulatory hurdles are limited, Mr. Kalff said.

In Europe, consolidation is most likely to be within countries, given that there are still about 10,000 banks on the Continent, he added.

"If you buy a bank cross-border,

you have to deal with cultural issues" and several regulatory bodies, he said. "I expect the consolidation to take place in the various markets, and perhaps once in a while a cross-border takeover. A cross-border merger seems very unlikely."

AMRO this week was stymied in its bid for Generale de Banque, which declared the Dutch bank a bid "hostile" and sold new shares equal to 10 percent of capital to the rival bidder, Fortis AG, which had raised its offer for the bank to \$14.2 billion. The revised Fortis bid is about \$2 billion more than AMRO said it would pay.

That defeat prompted some analysts to suggest that AMRO's best strategy for competing with Europe's biggest banks was a merger with a bank of about equal size.

Size became more of an issue in Europe with the recent \$33 billion merger of Union Bank of Switzerland and Swiss Bank Corp. as well as Internationale Nederlanden Groep NV's \$4.7 billion purchase of Banque Bruxelles Lambert SA.

Credit Suisse Buys Brazil's Garantia

Bloomberg News

ZURICH — Credit Suisse Group agreed Wednesday to buy Banco de Investimentos Garantia SA, Brazil's largest investment bank, for at least \$675 million, in a bid to win more business as Latin American markets are opened to competition.

Credit Suisse, which owns the investment bank Credit Suisse First Boston, said it would pay Garantia's managing partners \$200 million cash and \$475 million in stock over three years for the Sao Paulo-based bank. Further undisclosed payments depend on Garantia's profits. The agreement came after months of talks.

For Garantia, the acquisition ends 27 years of independence during which the bank rose to the No. 1 position in trading on the Brazilian stock exchange.

Garantia said Jorge Paulo Lemann, its founding partner and chairman, and Claudio Haddad, its chief executive, would leave as part of the takeover. Several other partners will also leave, it added.

Mr. Lemann, who founded Garantia in 1971, will be retained as a senior adviser to Credit Suisse, said Carlos Castanho, a Garantia partner.

Garantia also said it would shut its 14-person office in New York and its one-man office in London.

Switzerland's second-biggest bank is expanding in Latin America's biggest market as the economies of Brazil and other Latin American countries are deregulated. Goldman, Sachs & Co. and Morgan Stanley Dean Witter & Co., among others, were vying to buy Garantia, which has sought to raise capital after suffering more than \$100 million in trading losses in October.

The purchase by Credit Suisse is one of the first acquisitions of a Latin American investment bank by a buyer from outside the region.

Investor's Europe			
Frankfurt DAX	London FTSE 100 index	Paris CAC-40	
5750	5250	4300	
5400	5000	3700	
5050	4750	3400	
4700	4500	3100	
4350	4250	2800	
4000	4000	2500	
1998	1998	1998	
Exchange	Index	Year-to-date %	Change
Amsterdam AEX	1,200.00	200.51	-0.67
Brussels BEL-20	3,500.00	3,500.00	0.00
Frankfurt DAX	5,754.00	5,754.00	0.00
Copenhagen Stock Market	740.34	751.92	-1.58
Helsinki HEX General	4,910.26	4,910.26	0.00
Oslo OSEK	683.28	704.48	-3.06
London FTSE 100	5,047.40	5,047.40	0.00
Madrid Stock Exchange	382.60	377.19	1.41
Milan MBTEL	2425.00	2445.00	-2.00
Paris CAC-40	4,208.60	4,208.60	0.00
Stockholm SX 16	4,287.17	4,287.17	0.00
Vienna ATX	1,563.24	1,563.24	0.00
Zurich SPI	4,571.06	4,571.06	0.00

Very briefly:

- WorldCom Inc. and MCI Communications Corp. are expected to make new proposals to address concerns over their proposed \$41.8 billion merger, said Karel Van Miert, the European competition commissioner, and they have until July 1 to do so.
- The Bundesbank's policy-making council left leading interest rates unchanged, as expected, keeping the discount rate at 2.50 percent, the Lombard rate at 4.50 percent and the securities repurchase, or repo, rate at 3.30 percent.
- Aegion NV is selling its investment banking unit, Bank Labouchere, to Amsterdam Options Traders NV for a sum exceeding 1 billion guilders (\$499.1 million). AOT said Aegion would keep a 10 percent to 25 percent stake in the renamed Bank AOT Labouchere.
- Granada Group PLC's first-half profit rose 13.3 percent, to £207 million (\$338.8 million), as profit from hotel, restaurant and media interests offset a decline in rental earnings.
- Courtauld PLC said 39.8 percent of the specialty paint-maker's shareholders had approved Akzo Nobel NV's \$3.68 billion takeover offer, and the Dutch company extended the bid for two weeks.

WORLD STOCK MARKETS

Wednesday, June 10
Daily prices in local currencies.

High Low Close Prev.

Amsterdam AEX index: 1,200.00

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Amst-AM

NYSE

Wednesday's 4 P.M. Close
The 2,600 most traded stocks of the day.
Nationalwide prices not reflecting late trades elsewhere.
The Associated Press.

12 Month High Low Stock Div Yld PE 100 High Low/Latest Chrg

12 Month	High	Low	Stock	Div	Yld	PE	100	High	Low/Latest	Chrg
A										
1			AA							
2			AB							
3			AC							
4			AD							
5			AE							
6			AF							
7			AG							
8			AH							
9			AI							
10			AJ							
11			AK							
12			AL							
13			AM							
14			AN							
15			AO							
16			AP							
17			AQ							
18			AR							
19			AS							
20			AT							
21			AU							
22			AV							
23			AW							
24			AX							
25			AY							
26			AZ							
27			BA							
28			BB							
29			BC							
30			BD							
31			BE							
32			BF							
33			BG							
34			BH							
35			BI							
36			BJ							
37			BK							
38			BL							
39			BM							
40			BN							
41			BO							
42			BP							
43			BQ							
44			BR							
45			BS							
46			BT							
47			BU							
48			BV							
49			BW							
50			BX							
51			BY							
52			BZ							
53			CA							
54			CB							
55			CC							
56			CD							
57			CE							
58			CF							
59			CG							
60			CH							
61			CI							
62			CJ							
63			CK							
64			CL							
65			CM							
66			CN							
67			CO							
68			CP							
69			CQ							
70			CR							
71			CS							
72			CT							
73			CU							
74			CV							
75			CW							
76			CX							
77			CY							
78			CZ							
79			DA							
80			DB							
81			DC							
82			DD							
83			DE							
84			DF							
85			DG							
86			DH							
87			DI							
88			DJ							
89			DK							
90			DL							
91			DM							
92			DN							
93			DO							
94			DP							
95			DQ							
96			DR							
97			DS							
98			DT							
99			DU							
100			DV							

12 Month	High	Low	Stock	Div	Yld	PE	100	High	Low/Latest	Chrg
101			DW							
102			DX							
103			DY							
104			DZ							
105			EA							
106			EB							
107			EC							
108			ED							
109			EE							
110			EF							
111			EG							
112			EH							
113			EI							
114			EJ							
115			EK							
116			EL							
117			EM							
118			EN							
119			EO							
120			EP							
121			EQ							
122			ER							
123			ES							
124			ET							
125			EU							
126			EV							
127			EW							
128			EX							
129			EY							
130			EZ							
131			FA							
132			FB							
133			FC							
134			FD							
135			FE							
136			FF							
137			FG							
138			FH							
139			FI							
140			FJ							
141			FK							
142			FL							
143			FM							
144			FN							
145			FO							
146			FP							
147			FQ							
148			FR							
149			FS							
150			FT							

12 Month	High	Low	Stock	Div	Yld	PE	100	High	Low/Latest	Chrg
151			FT							
152			FU							
153			FV							
154			FW							
155			FX							
156			FY							
157			FZ							
158			GA							
159			GB							
160			GC							
161			GD							
162			GE							
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166			GI							
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169			GL							
170			GM							
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172			GO							
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175			GR							
176			GS							
177			GT							
178			GU							
179			GV							
180			GW							
181			GX							
182			GY							
183			GZ							
184			HA							
185			HB							
186			HC							
187			HD							
188			HE							
189			HF							
190			HG							
191			HH							
192			HI							
193			HJ							
194			HK							
195			HL							
196			HM							
197			HN							
198			HO							
199			HP							
200			HQ							

12 Month	High	Low	Stock	Div	Yld	PE	100	High	Low/Latest	Chrg
201			HQ							
202			HR							
203			HS							
204			HT							
205			HU							
206			HV							
207			HW							
208			HX							
209			HY							
210			HZ							
211			IA							
212			IB							
213			IC							
214			ID							
215			IE							
216			IF							
217			IG							
218			IH							

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12 Month	High	Low	Stock	Div	Yld	PE	100	High	Low/Latest	Chrg
201			HQ							
202			HR							
203			HS							
204			HT							
205			HU							
206			HV							
207			HW							
208			HX							
209			HY							
210			HZ							
211			IA							
212			IB							
213			IC							
214			ID							
215			IE							
216			IF							
217			IG							
218			IH							

Wednesday's 4 P.M.
1,000 most traded National Market securities
in terms of dollar value, updated twice a year.
The Associated Press

[illegible][illegible]

12 Month Low	12 Month High	Stock	Div	Yld	P/E	50 Day High	50 Day Low	Latest Close	Chg
41	12 1/2	General Electric			15	32 1/2	32 1/2	32 1/2	0
42	12 1/2	General Motors			15	32 1/2	32 1/2	32 1/2	0
43	12 1/2	IBM			15	32 1/2	32 1/2	32 1/2	0
44	12 1/2	Johnson & Johnson			15	32 1/2	32 1/2	32 1/2	0
45	12 1/2	Merck & Co.			15	32 1/2	32 1/2	32 1/2	0
46	12 1/2	Pfizer			15	32 1/2	32 1/2	32 1/2	0
47	12 1/2	Roche			15	32 1/2	32 1/2	32 1/2	0
48	12 1/2	Schering-Plough			15	32 1/2	32 1/2	32 1/2	0
49	12 1/2	SmithKline Beecham			15	32 1/2	32 1/2	32 1/2	0
50	12 1/2	Schering-Plough			15	32 1/2	32 1/2	32 1/2	0
51	12 1/2	Schering-Plough			15	32 1/2	32 1/2	32 1/2	0
52	12 1/2	Schering-Plough			15	32 1/2	32 1/2	32 1/2	0
53	12 1/2	Schering-Plough			15	32 1/2	32 1/2	32 1/2	0
54	12 1/2	Schering-Plough			15	32 1/2	32 1/2	32 1/2	0
55	12 1/2	Schering-Plough			15	32 1/2	32 1/2	32 1/2	0
56	12 1/2	Schering-Plough			15	32 1/2	32 1/2	32 1/2	0
57	12 1/2	Schering-Plough			15	32 1/2	32 1/2	32 1/2	0
58	12 1/2	Schering-Plough			15	32 1/2	32 1/2	32 1/2	0
59	12 1/2	Schering-Plough			15	32 1/2	32 1/2	32 1/2	0
60	12 1/2	Schering-Plough			15	32 1/2	32 1/2	32 1/2	0
61	12 1/2	Schering-Plough			15	32 1/2	32 1/2	32 1/2	0
62	12 1/2	Schering-Plough			15	32 1/2	32 1/2	32 1/2	0
63	12 1/2	Schering-Plough			15	32 1/2	32 1/2	32 1/2	0
64	12 1/2	Schering-Plough			15	32 1/2	32 1/2	32 1/2	0
65	12 1/2	Schering-Plough			15	32 1/2	32 1/2	32 1/2	0
66	12 1/2	Schering-Plough			15	32 1/2	32 1/2	32 1/2	0
67	12 1/2	Schering-Plough			15	32 1/2	32 1/2	32 1/2	0
68	12 1/2	Schering-Plough			15	32 1/2	32 1/2	32 1/2	0
69	12 1/2	Schering-Plough			15	32 1/2	32 1/2	32 1/2	0
70	12 1/2	Schering-Plough			15	32 1/2	32 1/2	32 1/2	0
71	12 1/2	Schering-Plough			15	32 1/2	32 1/2	32 1/2	0
72	12 1/2	Schering-Plough			15	32 1/2	32 1/2	32 1/2	0
73	12 1/2	Schering-Plough			15	32 1/2	32 1/2	32 1/2	0
74	12 1/2	Schering-Plough			15	32 1/2	32 1/2	32 1/2	0
75	12 1/2	Schering-Plough			15	32 1/2	32 1/2	32 1/2	0
76	12 1/2	Schering-Plough			15	32 1/2	32 1/2	32 1/2	0
77	12 1/2	Schering-Plough			15	32 1/2	32 1/2	32 1/2	0
78	12 1/2	Schering-Plough			15	32 1/2	32 1/2	32 1/2	0
79	12 1/2	Schering-Plough			15	32 1/2	32 1/2	32 1/2	0
80	12 1/2	Schering-Plough			15	32 1/2	32 1/2	32 1/2	0
81	12 1/2	Schering-Plough			15	32 1/2	32 1/2	32 1/2	0
82	12 1/2	Schering-Plough			15	32 1/2	32 1/2	32 1/2	0
83	12 1/2	Schering-Plough			15	32 1/2	32 1/2	32 1/2	0
84	12 1/2	Schering-Plough			15	32 1/2	32 1/2	32 1/2	0
85	12 1/2	Schering-Plough			15	32 1/2	32 1/2	32 1/2	0
86	12 1/2	Schering-Plough			15	32 1/2	32 1/2	32 1	

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<p>1. 姓名: 李 明</p> <p>2. 性别: 男</p> <p>3. 年龄: 25</p> <p>4. 民族: 汉族</p> <p>5. 籍贯: 广东省广州市</p> <p>6. 学历: 大学本科</p> <p>7. 专业: 计算机科学与技术</p> <p>8. 毕业院校: 华南理工大学</p> <p>9. 毕业时间: 2000年7月</p> <p>10. 毕业成绩: 良好</p> <p>11. 学位: 学士学位</p> <p>12. 论文题目: 基于Web的在线考试系统的设计与实现</p> <p>13. 论文导师: 张 伟</p> <p>14. 论文成绩: 优秀</p> <p>15. 英语水平: 大学英语四级</p> <p>16. 计算机水平: 熟练掌握</p> <p>17. 工作经历: 2000年7月至2001年6月，在广州市某软件公司担任软件开发工程师，主要负责Web应用系统的开发与维护。</p> <p>18. 获奖情况: 2001年，获得广东省优秀毕业生称号。</p> <p>19. 其他说明: 本人性格开朗，为人诚恳，具有较强的团队协作精神和沟通能力。在校期间，曾担任学生会干部，组织过多次大型活动。在实习期间，曾参与多个项目的开发，积累了丰富的实践经验。</p>	<p>20. 健康状况: 良好</p> <p>21. 婚姻状况: 未婚</p> <p>22. 联系电话: 13800000000</p> <p>23. 电子邮箱: liming@example.com</p> <p>24. 联系地址: 广东省广州市天河区某某路某某号</p> <p>25. 其他信息: 本人承诺所提供的所有信息均真实有效，如有虚假，愿承担一切法律责任。</p>
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Wednesday's 4 P.M. Close

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To receive free daily quotations for your funds by E-mail: subscribe@e-funds@iht.com**

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Energy Manager I	11/17	0.20%	1.18	0.00%	Private Fund	17/300	0.00%	Class B	8/8	1/1	Japan Holdings NY NY	12/42	0.00%	GSAM Money Mkts US	0.00%	10/10	USAA Short-Term Revu	8/0	1/20
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Hong Kong Firm

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ASIA/PACIFIC



CAUGHT NAPPING—A Korean Confederation of Trade Unions member dozing at a protest against the leadership's decision to cancel a general strike that was to have started Wednesday.

Sumitomo Gives Aid To 5 Korean Banks

By Don Kirk
International Herald Tribune

SEOUL — Sumitomo Bank Ltd. announced Wednesday that it would guarantee letters of credit worth up to \$100 million for five South Korean banks in coordination with the International Finance Corp., an arm of the World Bank.

The move by Sumitomo, one of Japan's biggest banks, appeared to be an effort to quell fears among Korean business leaders that Japanese financial institutions may desert them in a time of crisis.

Although the amount guaranteed by Sumitomo was relatively small in terms of the size of South Korean debt, Sumitomo said its purpose was to enable Korean companies to obtain the credit they desperately needed to conduct foreign trade.

"It's difficult for Korean companies to get trade credits," said James Rooney, president of Ssangyong Templeton Investment Trust Management Co. "That's affected both import and export."

The problem would add to the crisis here "when there's no more raw material with which to make products for exports," Mr. Rooney said.

Fears are growing here that the depreciation of the yen, which is increasing pressure on Japanese banks, may compel those banks to cut off short-term loans to South Korea in an effort to reduce their debts here.

"My biggest concern about Korea is the implication for Japanese banks," said Stephen Marvin, chief of research at Jardine Fleming Securities here. He noted that exposure of Japanese banks in South Korea, which totals \$22 billion, is larger than that of the banks of any other country, partly as a result of Japan's massive current-account surplus.

The plan announced by Sumitomo calls for it to guarantee 60 percent and the International Finance Corp. to guarantee 40 percent of letters of credit from South Korean banks for local manufacturers.

The show of support by one major Japanese bank, however, was not expected to create confidence in the viability of the South Korean banking system or the companies that continue to rely heavily on the banks for credit.

Nor did promises of support given to President Kim Dae Jung during his visit to the United States this week have much impact.

As evidence of the worries here about the declining yen, the benchmark index of the Seoul stock market finished 14.68 points lower, at 324.54.

Pressure mounted on South Korea's conglomerates, or *chaebol*, to accept the need for sweeping overhaul.

Kim Joong Kwon, chief presidential secretary, said, "Revamping *chaebol* is essential for the company itself and for the national economy." He predicted "a big deal will be made soon" involving a swap of entities among the major *chaebol*.

As one solution to the banking crisis, the chairman of Daewoo Group, Kim Woo Chong, proposed establishment of several enormous banks with funds from each of the "big four" *chaebol* — Hyundai Group, Samsung Group, Daewoo Group, and LG Group. They in turn could take over troubled local banks and set up joint ventures with foreign banks.

Analysts sharply criticized that proposal as another effort by the conglomerates to avoid serious reforms while collaborating against government pressure.

"Whenever a *chaebol* has owned a financial institution, it turns into a piggy bank for the *chaebol*," Mr. Rooney said. "Where do they get the money from? They have to borrow it. Then they'll lend it back to themselves. It's a shell game."

Chaebol leaders are barred from owning more than 4 percent of any bank under current law, but there is a move to change the law so they could own a much larger percentage.

"The leaders of the top 50 *chaebol* are responsible for this mess by overinvesting and overborrowing," Mr. Marvin said. "Now basically the government is holding this together with bubble gum."

With South Korean companies and banks already \$500 billion in debt, including more than \$150 billion to foreign banks, Mr. Marvin said the government had no choice but to take "quick, forceful action to liquidate many *chaebol* and raise substantial funds offshore for recapitalizing the banks."

Otherwise, he said, "the country will slide into a deep depression next year."

In any case, Mr. Marvin said, "We're headed toward a full-blown banking crisis." He predicted that at least two more *chaebol* will collapse in the next few months.

Hong Kong Firms Hedging on Yuan

HONG KONG — Hong Kong companies, among the largest investors in China, are starting to hedge against the risk that the yuan may buckle like other Asian currencies.

A Chinese company based here, Shum Yip Investment Ltd., said Wednesday that it was moving to insulate itself from a possible depreciation of the yuan, the only currency in the world to strengthen against the dollar in the past year.

New World Infrastructure Ltd., Cheung Kong Infrastructure Ltd. and other Hong Kong companies are considering similar steps, executives said.

A steady depreciation in the yen is hurting China's trade and, coupled with devaluations of the Thai baht and other Asian currencies, ultimately may force Beijing to try to increase exports with a cheaper currency, analysts said. Such a move probably would send currencies reeling across Asia.

China has repeatedly vowed not to follow other Asian countries in letting its currency weaken. The weakening yen, though, may be the final straw, some analysts said.

Highlighting fears that the slipping

ping yen was hitting demand for Chinese exports in Japan, Chinese trade figures released Wednesday showed exports fell 1.5 percent in May from a year earlier, the first such decline in 22 months.

Although Beijing gave no country breakdowns for its exports, analysts said Japan was the likely principal cause of the May decline.

"The big one is probably Japan," said John Seel of Bear Stearns Asia in Hong Kong. "Imports from China were down 6 percent in April, and you're probably looking at something much bigger than that for May."

Some economists say that a 33 percent depreciation of the yuan in 1994 was at least partly responsible for the Southeast Asian financial crisis, as it allowed China to amass huge trade surpluses at the expense of its neighbors. Some analysts say that another yuan devaluation would likely unhinge the Hong Kong dollar's peg to the U.S. dollar and set off a new round of competitive devaluations among regional economies.

Tung Chee-hwa, the chief executive of Hong Kong, said Wednesday that his administration was determined to keep the currency peg.

"Let me stress the government's determination to defend the linked exchange rate has not changed one bit," he said.

But Shum Yip Investment, which is controlled by the southern Chinese city of Shenzhen, increased its borrowing in yuan in case the currency weakens and makes paying off debts in other currencies more expensive, said Wen Guojian, an executive director. Shum Yip, which invests in property and transportation, earns money in yuan.

"It will remove our currency risk," Mr. Wen said of the borrowing plan.

Shum Yip has about \$204.8 million of cash on hand, mainly in U.S. dollars, Mr. Wen said. It has used part of that as deposits and collateral for its Shenzhen-incorporated subsidiaries to get yuan loans for their investments on the mainland.

New World, one of Hong Kong's biggest investors in China, is also planning to hedge.

The company, which has invested \$3.2 billion in mainland roads, ports, housing and power plants, plans to borrow in yuan for the first time to finance projects, it said this week. (Bloomberg, Reuters)

Tokyo Considers Revaluing the Yen

TOKYO — Japan's governing party will draw up legislation by the end of September that calls for a revaluation of the Japanese currency, a news report said Wednesday.

The Liberal Democratic Party's subcommittee on denomination wants to revalue the yen at roughly 1 yen to the dollar, the Kyodo news agency reported.

The dollar has risen sharply against the yen in recent days, surpassing 140 yen.

The goal of the proposed revaluation would be to make the yen more competitive as an international currency with the dollar and Europe's single currency, which will be introduced Jan. 1, 1999, Kyodo said.

Most of the lawmakers on the committee support the move, it added.

Party officials were not immediately available to comment on the report.

It remains uncertain, however, if the idea would ever make it to a vote in Parliament.

The Finance Ministry has rejected similar proposals in the past, dismissing plans for a new yen as unnecessary and disruptive.

Indonesia's Biggest Carmaker Shuts Plants, Citing Economy

Compiled by Our Staff From Dispatches

JAKARTA — PT Astra International, Indonesia's largest automaker, said Wednesday that it had halted production because of the collapse of the country's currency and its worst economic crisis in more than three decades had wiped out demand for its vehicles.

The company also shuffled its top executives, removing from its board several figures close to former President Suharto. Among them was long-time confidante, Mohammed Hasan.

Somala Wiria, a former president director of Bank Negara Indonesia, was appointed president commissioner to replace Mr. Hasan.

Rini Soewandi, who replaced Theodore Rachmat as president director of Astra, said the production halt would last two months.

She said Astra would seek to increase its car and car component exports to Japan and Malaysia during the economic crisis. "We look for market opportunity through export," Miss Soewandi said.

The plunge in the rupiah has raised the cost of imported parts and jacked up borrowing costs, pushing the price of Astra's vehicles beyond the reach of most Indonesians.

"From a fundamental side it's pretty hopeless — they have debts in U.S.

dollars, their rupiah loans are huge, interest rates are sky-high, and there's demand-side pressure as well," said Charles Phoa, automotive analyst at DBS Securities in Jakarta.

Astra's plight shows how quickly Indonesian companies have gone from high-flying success stories to stock-market pariahs.

Astra's shares fell 50 rupiah on Wednesday, to close at 975 rupiah. They are down about 80 percent since the beginning of the Southeast Asian currency turmoil in July, after trading at 7,900 rupiah in the first half of last year.

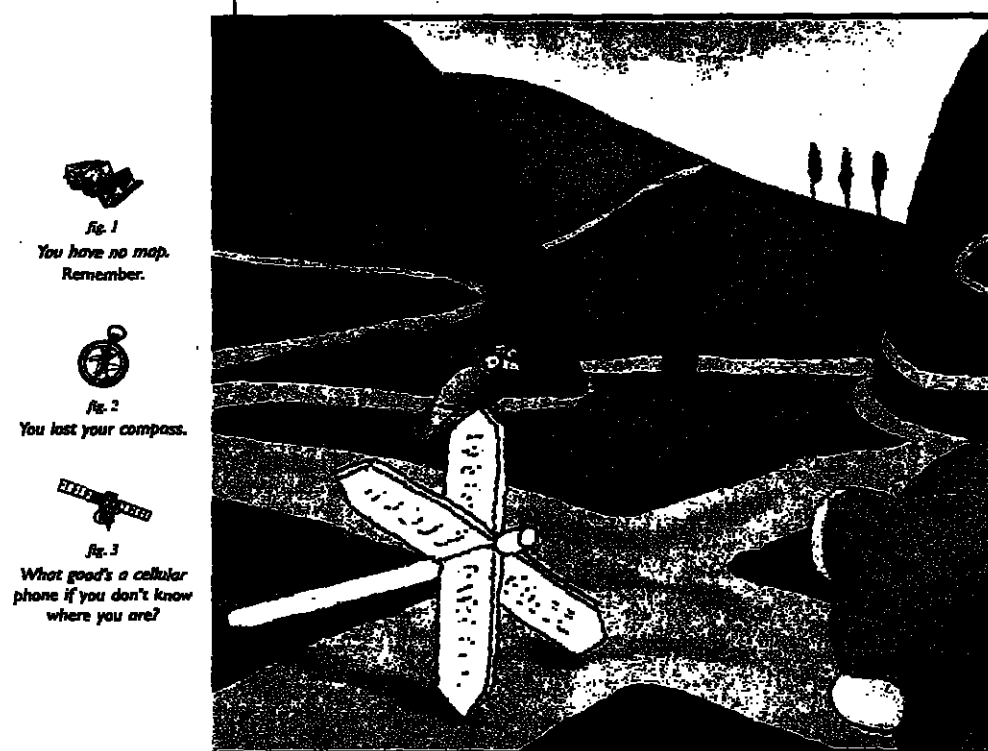
Astra has about \$2 billion in foreign debt, about 30 percent of which was not hedged against currency depreciation, said the company's finance director, Doris Setiawati Herliambang, another of the new company appointments.

Last week, Indonesia negotiated an agreement with creditors that gives cash-strapped companies a three-year grace period on repaying the principal.

Astra will not participate in the plan, Miss Soewandi said, because its creditors have helped in arranging rollovers of its loans. About three-quarters of Astra's bank loans are from Japanese banks, she said. Astra's biggest creditor banks are Fuji Bank and Bank of Tokyo-Mitsubishi. (Bloomberg, Reuters)

GET YOUR MIND WORKING WITH PARIBAS

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speaking 39 languages

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in Euro denominated
issues

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generated outside
France

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Euro bank

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PARIBAS Thinking beyond banking

CROSSWORD

- ACROSS**
- 1 Poly-act subjects
 - 5 Overseas
 - 10 Costlier's role in "The Untouchables"
 - 14 Skip
 - 15 Symbol of richness
 - 16 Like some singing
 - 17 Six-foot vis-à-vis
 - 18 Administer
 - 19 Beside oneself?
 - 20 Beet
 - 22 Exit
 - 24 Big name in gyms
 - 25 Expensive eggs?
 - 26 A growing concern
 - 28 Give a hand
 - 29 Operate
 - 32 End of a list of names
 - 34 Botch
 - 36 War stal.
 - 37 Group with a hint to this puzzle's theme
 - 41 Middle mark
 - 42 Acclaim
 - 43 Make out
 - 44 Abbr. in a marathon time
 - 45 "When Love" (Van Halen hit)
 - 46 French books
 - 48 Cable into
 - 49 Thrill
 - 51 Dummy
 - 54 Flying body?
 - 55 Lincolnesque
 - 56 Familiar political promises
 - 61 Aloud
 - 62 Comic Johnson
 - 63 First name in beauty
 - 64 Squint (at)
 - 65 Site of a W.W.I. Allied victory
 - 66 They have bar signs
 - 67 "Smooth Operator" chanteuse
 - 68 Attempts
 - 69 Director Sidney
 - 70 Old-fashioned conveyance
 - 71 Xerox products
 - 72 Bone: Prefix
 - 73 Specially, so to speak
 - 74 Vexed
 - 75 Jane who stayed at Thornfield
 - 76 Vane dir.
 - 77 Things on rings
 - 78 Covers the earth
 - 79 Marker
 - 80 Noted object of a wall
 - 82 Order to Fido
 - 83 King Arthur's father
 - 84 Nostrils
 - 85 Shows curiosity
 - 86 Molest chief
 - 87 Lure of sailors, in myth
 - 88 Assignments
 - 89 Mucks
 - 90 Prefix with thermal
 - 91 Making (out)
 - 92 One who can hardly be made out
 - 93 Wraps up
 - 94 Sweethearts
 - 95 Suffix in rock names
 - 96 Bethsh, at times
 - 97 Old-fashioned conveyance
 - 98 Xerox products
 - 99 Bone: Prefix
 - 100 Specially, so to speak
 - 101 Vexed
 - 102 Jane who stayed at Thornfield
 - 103 Vane dir.

- DOWN**
- 1 Scintilla
 - 2 Shirt sizes
 - 3 Architect
 - 4 Opposite of lead
 - 5 Lives
 - 6 Dwindled
 - 7 Provides
 - 8 Boombox button abbr.
 - 9 Something for nothing
 - 10 Bead material
 - 11 Woman of Paris
 - 12 Things on rings
 - 13 Covers the earth
 - 14 Skip
 - 15 Symbol of richness
 - 16 Like some singing
 - 17 Six-foot vis-à-vis
 - 18 Administer
 - 19 Beside oneself?
 - 20 Beet
 - 22 Exit
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 - 95 Suffix in rock names
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 - 97 Old-fashioned conveyance
 - 98 Xerox products
 - 99 Bone: Prefix
 - 100 Specially, so to speak
 - 101 Vexed
 - 102 Jane who stayed at Thornfield
 - 103 Vane dir.

Solution to Puzzle of June 10

ACROSS
1 POLYACT SUBJECTS
5 OVERSEAS
10 COSTLIER'S ROLE IN "THE UNTOUCHABLES"
14 SKIP
15 SYMBOL OF RICHNESS
16 LIKE SOME SINGING
17 SIX-FOOT VIS-À-VIS
18 ADMINISTER
19 BESIDE ONESELF?
20 BEET
22 EXIT
24 BIG NAME IN GYMS
25 EXPENSIVE EGGS?
26 A GROWING CONCERN
28 GIVE A HAND
29 OPERATE
32 END OF A LIST OF NAMES
34 BOTCH
36 WAR STAL.
37 GROUP WITH A HINT TO THIS PUZZLE'S THEME
41 MIDDLE MARK
42 ACCLAIM
43 MAKE OUT
44 ABBR. IN A MARATHON TIME
45 "WHEN LOVE" (VAN HALEN HIT)
46 FRENCH BOOKS
48 CABLE INTO
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61 ALOUD
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63 FIRST NAME IN BEAUTY
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9 SOMETHING FOR NOTHING
10 BEAD MATERIAL
11 WOMAN OF PARIS
12 THINGS ON RINGS
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18 ADMINISTER
19 BESIDE ONESELF?
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22 EXIT
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28 GIVE A HAND
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32 END OF A LIST OF NAMES
34 BOTCH
36 WAR STAL.
37 GROUP WITH A HINT TO THIS PUZZLE'S THEME
41 MIDDLE MARK
42 ACCLAIM
43 MAKE OUT
44 ABBR. IN A MARATHON TIME
45 "WHEN LOVE" (VAN HALEN HIT)
46 FRENCH BOOKS
48 CABLE INTO
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INTERNATIONAL

GM:
Striking a Chord

Continued from Page 11

GM's hourly workers are enormous. "It's not just Flint and our community. It's the whole country," she said. "GM's trying to whipsaw one plant against another to speed up production. We just can't trust them."

And the mood of the strikers? "A lot of them said we should have done this a long time ago," Ms. Jackson said.

In the past 20 years, GM has cut employment in Flint to 35,000 workers from 76,000, and it says 11,000 more jobs could be eliminated over the next few years. For workers, the biggest blow was the announcement late last year that the company was closing down its huge Buick City assembly plant in 1999.

Among its total U.S. work force, GM has trimmed 297,000 hourly jobs over the past 20 years, cutting the overall number of jobs to 223,000. In the early 1980s, both Chrysler Corp. and Ford Motor Co. were forced to cut their work forces in half to survive financially.

Some of the jobs were moved to Canada and Mexico, where plants were either more efficient or less costly, but the bulk of the people were simply replaced by machines.

The strike has forced GM to shut down assembly and parts plants and idle workers across the United States and Canada. If the strike continues, it could force GM to close at least 16 major plants in the United States, Canada and Mexico.

Adding to the pressure is a strike deadline of 7 P.M. Thursday at a second, larger GM plant in Flint that supplies parts to virtually all GM cars and trucks. A strike by the 5,800 UAW members at the Flint East plant, combined with the 3,400 workers already striking at the metal-stamping plant, would cripple GM



Striking United Auto Workers talking outside the General Motors metal center in Flint, Michigan.

car and truck production nationwide.

The UAW says it called the strike because the company has failed to live up to its promise to invest \$300 million in the stamping plant, which makes fenders, doors, hoods and other sheet-metal parts for most of GM's full-size light trucks and some cars. The union says the investment is a necessary signal that GM intends to keep the plant open.

GM says it has already invested some money in the plant — it will not say how much — but it is not going to spend the rest until the UAW honors a commitment to ease work rules. Then, GM said, the company can take full advantage of new equipment already in place.

Vice President Donald Hackworth said last week that the company was

investing \$21 billion in the United States between 1997 and 2001. This, he said, was more than GM would invest in the rest of the world during the same period.

"The real issues are the noncompetitive work practices at this plant that do not allow the equipment to reach its designed output," he said.

Union officials contend that the plant is efficient and they have made all the concessions the company has demanded. But some analysts say the Flint plant is simply not competitive.

"At present, it's a rotten plant," from the perspective of competitiveness, said Dave Cole, director of the Office for the Study of Automotive Transportation at the University of Michigan. For example, in round numbers, industry surveys show the

Flint plant produces 100 parts per worker, compared with an estimated 400 parts per worker at Toyota Motor Corp.'s manufacturing facilities in the United States.

George Peterson, president of AutoPacific Inc., a California-based auto industry research and consulting firm, said that in non-UAW plants in the United States, such as the Marysville, Ohio, factory of Honda Motor Co.'s U.S. subsidiary, workers have multiple skills and are capable of performing multiple tasks. That kind of versatility, he said, helps Honda cut production costs.

"It's still possible to have a full-time job in this industry, if you are willing to do more than one job," Peterson said, referring to the UAW's concerns over job security.

ASIA: Fears Over Yen's Fall Pull Down Markets

Continued from Page 1

Chinese may not be too happy" with a falling yen.

Highlighting fears that the falling yen was curbing demand for Chinese exports in Japan, Chinese trade figures released Wednesday showed exports had fallen 1.5 percent in May from a year earlier, the first such decline in 22 months, Reuters reported from Beijing.

Although China gave no country breakdown for its exports, analysts said Japan's ailing economy and weak yen were probably the cause.

Most analysts say that if China eventually devalued the yuan, that would plunge Asia into another round of competitive devaluations, a possibility that becomes more likely the faster and farther the yen tumbles.

The weaker Japan's currency, the more incentive for traders to bid down currencies in the countries that compete with Japan for exports, including South Korea and Taiwan.

But a weakening yen also threatens China, not so much because Japan and China export the same kinds of goods, but because Japan is one of China's most important trading partners, taking about 20 percent of total exports.

The rest of Asia accounts for about 40 percent of China's total trade. Of all Asian countries outside Japan, only Singapore is more dependent on trade with the rest of the region, according to the Bank of America. As the yen falls, it drives down currencies across Asia, which also makes Chinese goods more expensive to consumers in those countries.

In Paris, deputy finance ministers from the Group of Seven leading industrialized nations discussed Wednesday "the possible adverse consequences of yen weakness on Asia and the global economy," according to Lawrence Summers, the U.S. deputy treasury secretary. But they agreed only to continue to watch developments on foreign exchange markets.

As investors hammered Asian shares, Thai stocks were the worst hit, falling 5.2 percent.

In Hong Kong the benchmark Hang Seng Index sank to its lowest level since 1995, almost 6 percent down on the day, before staging a slight recovery. It finished down 412.09 points, or 4.9 percent, at 7979.37.

The benchmark Malaysian index fell by 3.4 percent, while the Singapore index dropped 3.9 percent and the Seoul benchmark fell 4.3 percent.

Even Taiwan's often-impregnable markets came under siege. Stocks there slid 3.1 percent to a seven-month low, and the Taiwan dollar slid to its lowest level against the U.S. dollar in 11 years.

The U.S. dollar gained against every major floating Asian currency except for the South Korean won, in several cases by large margins.

The dollar gained 8.4 percent against the Indonesian rupiah, 2.5 percent against the Philippine peso and 0.6 percent against the Taiwan dollar.

The U.S. dollar rose 1 percent against the Thai baht.

The sharp fall in Hong Kong stocks came from "concern over the yuan and the sustainability of the peg," said Jo Peich, head of research at brokerage ING Barings in Hong Kong, referring to the Hong Kong currency's peg to the U.S. dollar. "We don't believe the peg is going to go, so that means high interest rates."

The Hong Kong dollar remained steady Wednesday, but uneasiness over the future of the fixed exchange rate sent the benchmark three-month interbank rate up to 11 percent as the demand for foreign currency grew.

The three-month rate began last week at 8.5 percent. Increasingly volatile rates in Hong Kong have led to a severe contraction in lending, making it harder for even blue-chip companies to borrow from local or foreign banks.

Particularly battered Wednesday were shares of mainland companies traded in Hong Kong, many of which fell by more than 5 percent in what appeared to be indiscriminate selling.

"Different companies have different foreign exchange risk, but if you're selling down the whole economy due to currency issues, everybody gets it," said Maurien Yau, a China analyst at Bear Stearns & Co. in Hong Kong.

Several blue-chip Hong Kong companies also were pummeled after Moody's Investors Service Inc. either downgraded their debt or put it on review. Debt of the conglomerate Wharf Holdings now trades just one notch above "junk" level.

Swire Pacific Ltd., a property company that owns part of Cathay Pacific Airways, has been threatened with a debt downgrade, as has the property developer Hysan Development. Hysan stock fell 12.5 percent.

STRIKE: Air France Pilots Call Off the Walkout

Continued from Page 1

determination to obtain economies and improve competitiveness. Other groups of Air France workers made it clear during a meeting with management that they wanted an end to the strike along with measures to ensure the survival of the company, which has about 45,000 staff.

The Air France president, Jean-Cyril Spinetta, announced earlier this week that he would call an extraordinary board meeting to consider important decisions, which airline sources interpreted as a threat to impose a new salary scale unilaterally, with unpredictable consequences for social and labor relations.

The management agreed to scrap a two-tier salary structure by which beginning air crew were to be paid according to a lower scale, which the pilots argued would not be conducive to good relations in the cockpit. But Air France kept the right to recoup training costs by paying "cadet pilots" a lower salary for five years.

The pilots agreed to a seven-year salary freeze, and said they would accept company shares in return for salary cuts, but only on a voluntary basis for seven years. The details of the salary-shares swap were left to be defined during new negotiations to be concluded by Aug. 31. The government is expected to float up to 20 percent of the company on the stock exchange later this year, with a defined amount reserved for the pilots and other members of the Air France staff. The company said it would introduce a system that would make it attractive for employees to invest in the company.

With the soccer World Cup underway without major disruption, the pilots lost their chief bargaining weapon. Rival airlines moved quickly to pick up business, with British Airways — which operates a French subsidiary, Air Liberté — saying it made an extra \$1 million a day during the nine-day strike.

The pilots had resisted any cut in salary,

pointing to the airline's 1.8-billion-franc profit last year after several years of heavy losses. The management said it needed to raise money internally to buy new aircraft. The airline has received 20 billion francs in taxpayer subsidies in recent years, but EU rules forbid any further recourse to public funds.

The airline also faces increased competition abroad and on its own turf because of EU airlines deregulation, and leaner times ahead because of an eventual downturn in the business cycle. The Boeing company has already announced a 30 percent reduction in its production of wide-bodied jets because of weakening demand.

All sides expressed relief after the agreement was reached. It "provides a framework favorable for stability within the company," the main pilots' union, the SNPL, said.

Air France said the deal would provide "the basis for stable labor relations."

Mr. Jospin said the agreement put at the disposal of the company means "to continue its development."

Mr. Spinetta said it would fully enable the company to achieve its savings targets.

For the last several days, Air France has succeeded in getting only 25 percent of its flights off the ground, but was committed to providing an extra 160 special flights to convey World Cup teams and their entourages around the country during the 33-day tournament.

The pilots' walkout and a host of lesser labor disputes sought to capitalize on the World Cup, but failed to result in the transport chaos that some had predicted. Competing independent airlines took advantage of the stoppage to raise their profile among the French public, and other carriers absorbed much of Air France's long-haul business. A threatened rail strike resulted in only minimal disruption Wednesday in a few specific areas, including Marseilles and St. Etienne, a spokesman for the state railroad company said.

SIR LEON: Time Is Short for His Trade Agenda

Continued from Page 11

negotiations.

When asked what he actually thought of Mr. Chirac's opposition to his original proposal, Sir Leon pulled no punches. "The truth is that the objections raised by Chirac were nonsense," he said. "French industry actually wanted this."

Despite the French objections, the trans-Atlantic talks seem likely to proceed.

In Washington, an aide to Charlene Barshefsky, the U.S. trade representative, confirmed American interest in developing the trans-Atlantic initiative into a formal negotiation. "We are working on this one, and I think it will go ahead," a U.S. trade official said.

Sir Leon, meanwhile, was also able to claim a European victory of sorts last month in the long-running dispute over the Helms-Burton Act and other U.S. legislation that would have punished European companies that do business with countries such as Cuba or Iraq. A compromise over that dispute was announced by President Bill Clinton and European officials on May 18.

Less easy for the ambitious Sir Leon, however, will be his efforts to win over Washington on the delicate matter of relaxing the terms under which China may join the World Trade Organization.

"There is a difference of perception," Sir Leon said, adding that China should be allowed to join now and phase in its market liberalization measures over time. "It is not true that Europe is trying to make a quick buck by being soft on the Chinese," he said.

Ms. Barshefsky, by contrast, recently assailed Beijing for not having yet made "a political decision" to open its markets enough to qualify for membership in the trade organization. Only a surprise breakthrough during President Clinton's upcoming visit to China could lead to early

membership for Beijing, U.S. officials say. Europe's high-flying trade commissioner also faces an uphill fight in trying to launch another round of wide-ranging global trade talks. Sir Leon claims that he has the support of Japan and Latin America and makes much of the fact that in agreeing that the U.S. would chair preparatory talks later this year, Mr. Clinton used the word "round" during a recent speech.

But Ms. Barshefsky is lukewarm to the Millennium idea, and she countered in an interview that Mr. Clinton "made clear that in today's economy, we cannot take 10 years to talk, as in the Tokyo Round, or 7 years as in the Uruguay Round."

The U.S. priority is to press for the EU to cut its \$50 billion of annual farm subsidies, and aides to Ms. Barshefsky point out that the agriculture trade talks are due to begin by the end of next year — with or without a more far-reaching trade round such as the one Sir Leon wants.

Sir Leon insists that Europe is committed to "bringing agriculture closer to the market." And in response to U.S. objections to the Millennium Round he offered a compromise: "We are more than ready to contemplate an arrangement by which we can have an early harvest in some trade sectors. That is not inconsistent with the Millennium Round."

A trade official familiar with Sir Leon's strategy said that "one of the reasons why Leon wants a big and comprehensive trade round is that agricultural reform is a bitter pill to swallow, and he wants to put honey on it, meaning as many other items as possible that France and Germany will like."

Sir Leon denied this, and noted that the upcoming talks on agriculture "are included and have a date attached to them."

The problem for Sir Leon, however, is that when that date arrives, at the end of 1999, he may no longer be the EU's trade commissioner.



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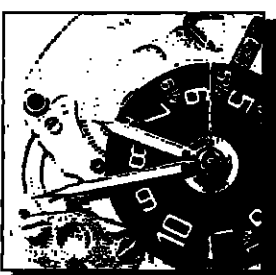
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Herald Tribune WORLD CUP

THURSDAY, JUNE 11, 1998

WORLD CUP BRIEFS

Chinese Dissident Criticizes Adidas

Bao Ge, a Chinese dissident, said Wednesday that he was launching legal action against the sporting goods maker Adidas for its alleged use of Chinese prison labor to produce World Cup '98 soccer balls.

Bao, 30, said he was "forced by guards" in a labor camp between 1994 and 1997 to make products for Adidas, the official supplier of balls for the World Cup.

He told the Portuguese news agency Lusa in Macau, where he is attending a conference, that he had asked legal representatives in Hong Kong, the United States, France and Germany to sue Adidas.

He said the German sporting goods supplier should be held "responsible and pay compensation for the pain and suffering" prisoners in Chinese labor education camps experienced in making the balls. He said prisoners had "never been paid" for their work. (AP)

Savicevic Will Miss Game

Dejan Savicevic is likely to miss Yugoslavia's opening game against Iran on Sunday. The striker is struggling to shake off a knee ligament injury.

"Savicevic is having treatment but he still can't go full out," said the coach Slobodan Santrac said. "We're not playing only one game at the World Cup."

The Nigerian defender Jero Shapoke will be replaced by Mubi Oparaku, FIFA said Wednesday. Shapoke broke his left collarbone in a June 5 exhibition match against the Netherlands. There is still uncertainty about the striker Daniel Amokachi, who twisted his right knee in training Tuesday.

Andre Arendse, a South African goalkeeper, damaged left knee ligaments in training and has been replaced by Paul Evans. (AP)

English Club Seeks Coach

Sheffield Wednesday of the English Premier League is attempting to hire Philippe Troussier, South Africa's French coach.

Dave Richards, the club chairman, met with Troussier in France on Tuesday. Club officials said the two were close to a deal.

"Nothing's signed, but we have been talking and there's a very good chance of things succeeding," Troussier said. (AP)

Croatia Struggles

Croatia labored to defeat, 2-1, a team of select domestic players in Vittel, France, on Wednesday.

"We were much too sloppy," said Miroslav Blazevic, the Croatia coach. "You saw Balkan acrobats — but not footballers — who didn't live up to their reputations."

Croatia plays Jamaica on Sunday. (AP)



Brazil's Leonardo, center, and his teammates celebrating after their victory against Scotland on Wednesday.

KICK: Own-Goal Hands Brazil a Victory

Continued from Page 1

joyfully filled up a fair portion of the 80,000 seats danced away from the Stade de France without some fresh doubts about their team's ability to win this event in the same stadium on July 12.

Brazil has not been impressive in recent months, losing to the United States in February and, more understandably, to Argentina at home in April. Midfield creation again appears to be a problem.

Brazil 2, Scotland 1

although the same problem did not keep Brazil from winning its unprecedented fourth title in the United States in 1994. The team also appears vulnerable defensively, and if Scotland's attacking duo of Kevin Gallacher and Gordon Durie can cause them as many problems as they did Wednesday, what will happen when Brazil runs into truly world-class strikers? But it is far too early to begin writing epitaphs. When Brazil needed a goal with the match even at 1-1, it was able to manufacture one and put itself atop Group A.

Denilson had begun the match on the bench, but after he replaced Bebeto in the 70th minute, Brazil took on a more threatening aspect. Three minutes later, a bit of brilliant footwork by him on the left wing drew the defense in his direction. Brazil's captain Dunga was the next to touch the ball, and he chipped it into the goal mouth, toward which right fullback Cafu and his Scottish escort Gordon Durie were sprinting at a furious pace. Durie tumbled. Cafu lashed out with his left foot and poked the ball at goalkeeper Jim Leighton. Leighton knocked it away, only to watch it ricochet off teammate Boyd's shoulder and into his goal.

Cafu celebrated with a front flip, while the 39-year-old Leighton, who would have done better to control the ball, gave Boyd a commiserative look. "Once again a defender and a mid-fielder were decisive," Brazil coach

Mario Zagallo said, "that's normal; this only proves that marking will be very tight during this World Cup."

After surrendering only three goals in 10 qualifying matches, Scotland's rugged defense would prove more vulnerable on the game's biggest stage.

"We were not humiliated by the World Champions," said Craig Brown, the Scotland coach. "We played well but the best team still won; we gave up two goals we should not have given up."

Though the Scottish fans were shouting and outgassing the Brazilians in the Metro and in the stands before the match began, they quickly fell silent in the fifth minute, when midfielder Cesar Sampaio scored off a corner kick from Bebeto. The 30-year-old Sampaio, perhaps the least celebrated of Brazil's starters, does not play for a top European team like most of his teammates. He plays for the Yokohama Flügels of Japan. But Sampaio is known for being very useful with his head, and considering the sharp angle from which he scored and the sharp-elbowed marking he endured from Craig Burley, his goal was a remarkable effort.

There would be other remarkable efforts in the first half: none more than Ronaldo's in the 19th minute, when he gave a 10-second recital deep in the Scottish half and turned nothing into something worth having on video.

But this would not be the 21-year-old star's night to score his first World Cup goal, and Leighton would save the ensuing shot by diving to his right. As the match wore on, it became clear that Ronaldo's most important role in this tournament may be as a decoy. He created several offensive opportunities for his less famous teammates by drawing most of the defense to him, but at half-time his team was no longer in front.

That was because Sampaio, who had given Brazil the early lead, essentially got it away in the 38th minute by shoving Gallacher in the penalty box when both were chasing a ball. Spanish



An anguished Colin Hendry of Scotland after his side's defeat.

referee Jose Manuel Garcia Aranda, working his first World Cup match, signaled for a penalty kick and gave Sampaio a yellow card — "highly questionable," said Zagallo. After vociferous debate from the Brazilians, Scottish midfielder John Collins struck the ball low and left past the lunging goalkeeper Taffarel to make it 1-1.

If it had stayed that way, there might have been a lot more kilt-raising on the esplanade after this curtain-raising. But the Brazilians' superior talent would once again get the best of Scotland in group play. The question is whether that will do Brazil good in the long run.

Ronaldo's Brilliance Dazzles Opponents

Brazilian Striker's Deft Moves Show Scotsmen Why He's Most Heralded

By Rob Hughes

International Herald Tribune

SAINT-DENIS, France — Paris, as the founding city of international soccer, had billed itself the City of Giants this week.

Brazil, we know, are giants of the game, and their 160 million population gives them a gigantic advantage over a small country like Scotland. But after Wednesday's opening match at Stade de

VANTAGE POINT

France, we cannot yet claim we have seen a giant play, though there was a calling card left by Ronaldo. Give him time and he can — he will — become one of the titans.

Midway through the first half, he performed a movement of balletic beauty, sheer control of body and of the ball, that transcended any of the three goals.

Indeed, it was skill and single-minded adaptability, it was body strength and instinct combined.

A moment does not a career make, so Ronaldo has some distance to travel. But share with me the relief that, after all the sullied FIFA politics that have passed beneath the bridges of the Seine this week, here was a player free to explore his gifts.

Receiving the ball from Cafu on the right, Ronaldo lured Colin Hendry, Scotland's biggest and most worldly defender, to him.

"Come closer, Big Colin, come to me," the Brazilian seemed to say. And Hendry bought the invitation. Tighter and tighter he came until, suddenly, Ronaldo swiveled 180 degrees. One moment Hendry had the Brazilian pinned with his back to goal, the next Ronaldo had spun to face him, and was accelerating towards the goal.

There's more. Tommy Boyd and Darren Jackson, two more willing Scots, were closing in. Jackson never got within tackling distance, Boyd did and was wrongfooted by a sway of Ronaldo's hips, a deft touch putting the ball out of Boyd's reach. A dexterous movement which belies Ronaldo's middleweight muscularity bemused the opponent.

Hendry wasn't quite beaten. He is nothing if not spirited, this blond Scots captain. He gave chase, but was shaken off again by another bewildering change of direction from the Brazilian. With eight touches of the ball in the space of a few seconds, and Ronaldo was free. The Scottish trio may as well have tried to trap a spider in a fishing net. The end product, a shot lacking Ronaldo's customary venom, was held by Jim Leighton, the Scotland goalie, but that should not detract from an example of the art of soccer that began to show the world why Ronaldo is the most prized player in a world of 200 million footballers.

Pele, Alfredo di Stefano and Carlos Alberto, three of soccer's greats, lament that coaches have too much say, that the game is too systematic for flair to breathe. But Ronaldo suggested there may be no holding him. He will score before this tournament is over, especially now that he has learned, from the Scots who would not surrender, the ex-

tra meter of commitment that opponents will give at World Cup level.

This was indeed a salutary day at the Stade de France for Brazilians. Joao Havelange, probably the oldest Brazilian in the stadium, gave his final speech as FIFA president. As the octogenarian opened his mouth huge numbers of the 85,000 capacity crowd — many wearing Brazilian yellow — booed him relentlessly. Havelange may have been made honorary president by the FIFA delegates who fawned over him Monday, but those who know him well, his countrymen, were in unforgiving mood.

They have seen his double standards, and they let the two billion viewers watching this opening ceremony know their feelings. Since tickets were reportedly changing hands at a \$1,000 each, they paid for their right.

For an opening match it was pleasing without scaling the heights of drama of the 1990 World Cup opener in Milan when Cameroon shocked Argentina and surprised the world with Roger Milla's ecstatic goal skills in attack and with savage tackling in defense.

If Paris witnessed neither of these extremes, it set a trend which will do the game no ill. Jose Garcia-Aranda, the Spanish referee, showed the yellow card to Jackson, and to Brazil's Aldair and Cesar Sampaio, all legitimate cautions. He gave Scotland a penalty which, in the new strictures of tough action for deliberate foul play, was again on the ball. So, though he came with no convincing reputation, the arbiter did his duty.

That penalty, given when Cesar Sampaio pulled back Kevin Gallacher in the 36th minute, was scored by John Collins, and tied the match at 1-1 because Cesar Sampaio had been allowed by a naive Scottish defense to score first in the third with a glancing deflection following a corner.

That goal, a replica of one Cesar Sampaio scored against Germany in Stuttgart in March, surprised us because European soccer is supposed to be the model of organization, and here was a Brazilian strike capitalizing on lethargy. But Scotland, in the image of its captain, strove manfully to stay in the match against opponents superior in technique, and significantly the running they had to do began to tell soon after Denilson, a Brazilian with quick feet and a quick brain, came on as a substitute.

He, with a matador's swerve on the left, drew the Scottish defense off balance, creating the opening which ended with the unfortunate Boyd scoring the own goal that sank Scotland.

Scotland, the Brave, had fallen and if this Brazil has yet to hit Samba rhythm, remember this is the first match of a long month. It is also the first competitive game Brazil has played at this level since winning the World Cup in Pasadena in 1994. And it is the first Ronaldo has encountered.

He is young. He will learn. But since he boasted he would eclipse the 13 goals record at a World Cup set in 1958 by the Frenchman Just Fontaine, he now has one match down, possibly six to go to hit his target.



Scotland's Tommy Boyd, right, scoring an own-goal and losing the match.

Pageant Turns Violent as Revelers Clash With Police

Compiled by Our Staff From Dispatches

PARIS — A pageant to open soccer's World Cup descended into a drunken brawl early Wednesday, with fans battling riot troops on the Champs Elysees.

Thirty-four police officers were injured, including one who was critically hurt after being struck on the head by a bottle, the police said.

On Tuesday evening, crowds watched as four 20-meter (66-foot) robots designed to depict the world's races

lumbered into the Place de la Concorde to gather around the ancient Egyptian Obelisk, which had been decorated to resemble the World Cup trophy.

The spectacle ended in a swirl of color and sound, but the gaiety was dampened by zealous security officers who forced crowds behind a maze of barriers, often brusquely ignoring official passes, witnesses said.

Later, near midnight, several hundred revelers began heaving bottles at the police. One group seized a metal barrier and rammed it into a line of riot troops. The police then charged the group, swinging batons and firing tear gas, and chasing it up the Champs Elysees toward the Arc de Triomphe.

Of those arrested, only 15 remained in custody late Wednesday, a police spokesman said. He added that foreign

soccer fans had not started the violence: "The troublemakers were mostly young delinquents from the Paris suburbs."

But the police also said that one of two Scotsmen arrested was Stephen Stapley, 30, of Aberdeen, who had been identified by Scottish police as a known hooligan ringleader. Motorists on the Champs Elysees had their cars damaged by revelers who were throwing crowd barriers. (AP, AFP, Reuters)

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Tickets for Opener Offered for \$2,500

Compiled by Our Staff From Dispatches

PARIS — Ticket scalpers were demanding 15,000 French francs (\$2,515) for seats Wednesday for the World Cup opener between Brazil and Scotland, as hordes of ticketless fans descended on the French capital hours before kickoff.

The scalpers said prices were being driven sky-high as demand far outstripped supply. The face value of the tickets is from \$25 to \$60.

One scalper from London on the Champs Elysees carried a sign reading, "Je cherche billets. I buy tickets" around his neck. He said tickets were extremely scarce.

There are strict laws govern-

ing ticket sales for the World Cup but the scalpers said the police were not bothering them. "We don't sell on the streets," one said. "We buy and then we sell on to clients who have asked us to get them tickets."

He pulled a wad of currency out of his pocket for the benefit of a television camera crew to show that business had been brisk.

Further along the boulevard a South American scalper gave frantic pursuit after a gust of wind took a precious ticket out of his hand and blew it along the pavement.

Scotland was allocated an initial 5,000 tickets for the opening game

against world champions Brazil in the 80,000-seat Stade de France on the outskirts of Paris. That allocation has turned the Tartan Army into the ticketless army.

"We've paid over £200 for tickets only to find that there are none when we get here," a fan from Dundee said. "The travel firm is giving us the money back but we've paid a lot to get here."

A group of 1,100 Brazilian fans traveled from South America only to learn they had suffered the same fate.

Japanese travel agencies said they were short 12,000 tickets promised to fans for the national team's weekend match against Argentina. (Reuters, AFP)

Holed Up in U.S. Team A

By George ...

ST. JEAN-D'ARCADE

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WORLD CUP

Holed Up in a Chateau, U.S. Team Awaits Action

By George Vecsey
New York Times Service

ST. JEAN-D'ARDIERES, France — For reading matter, Brian Maisonneuve had the latest copy of *Les Pages Jaunes*, a page-turner if ever there was one. His family name would indicate that he might be able to decipher the thrilling plot within, but Maisonneuve assured his visitors, "I'm looking at the pictures."

Maybe he was looking for a pizza delivery service in the Yellow Pages for the quiet vineyard region in which the U.S. soccer team currently finds itself ensconced. Maybe he was looking for a taxi to get him to bustling downtown Belleville or Villefranche.

Steve Sampson, the coach, has said — with basically a straight face — that he put them in a rural chateau so they could get the true feeling of being in deepest France. The players say: Yeah, right.

What do you do when the coach has put the team in the outback of the Beaujolais region? You cool your heels, literally. Maisonneuve was sitting outside the American wing of the chateau, both feet stuck in a bucket of ice, which, under better circumstances might have chilled a new bottle of Georges DeBeauf.

"A little boredom isn't bad," Sampson said.

Just about every one of the 32 teams in this World Cup is quartered in reasonable seclusion, even the Brazilians and the Italians. The U.S. lads do not like being quartered in the boonies in preparation for their opening game in Paris against Germany, but Sampson wants them fresh and rested and a trifle surly next Monday.

The first game in the World Cup is the biggest for the Americans. Germany is still putting together its aged and its infirm, and the United States just might gain a tie or a victory before the Germans get their act together.

Sampson is talking up team unity and says he now has 22 healthy players for

the first time. But there are many questions about this team.

Aside from Kasey Keller in goal and a few other skilled individuals, the team is a work in progress. Sampson is still putting together the pieces, which could be a bit of a problem when the marauders come down the highway.

The first stop, of course, is tranquility. Sampson found the Chateau de Fizay on an inspection trip last fall and immediately fell in love with its six centuries of history, its exotic topiary, its ancient chapel, its crowing roosters and attack geese. Or maybe it was the distance from diversions.

"We have to prepare for Germany," Sampson said at a news conference in the courtyard. "I don't want them on their feet all day shopping."

He has tentatively scheduled a bus ride to Lyon, 40 kilometers (25 miles) away, for an afternoon on the town on Thursday. He has provided diversions like a golf outing on Sunday, at which Alexi Lalas scored 24 for the first two holes, presumably striking many of his shots as headers.

Sampson is probably aware of at least 10 percent of the griping, but he insists the players will have time to meander from their quaint hotel off the Champs-Elysees on Saturday night and Sunday.

"After they are finished with this World Cup, they will not say they did not have a World Cup experience," Sampson promised.

In the center of wine country, he has allowed his players to drink one glass of beer with dinner, but he noted proudly that the other night not one player asked for a beer. There is a tradition of nocturnal card-playing — known to participants as the Card School — but after the stakes kept rising, Sampson put in a curfew of 10:30 P.M. for that activity.

What do the players do when they dutifully put away their decks of cards at the appointed hour? There are always *Les Pages Jaunes*.



Gabriel Popescu of Romania, left, playing in a friendly match Wednesday.

Romania Wins a Friendly, 5-2

Reuters

ALBI, France — Viorel Moldovan scored a hat trick Wednesday to help Romania to a comfortable 5-2 victory in a friendly match against U.S. Albi, a club in the French third division.

The French amateurs, trailing 2-0, pulled level by half time, but then conceded three goals in three minutes, two from Moldovan and one by George Hagi. Gabriel Popescu scored the other

Romanian goal. The only thing of interest to scouts from future World Cup opponents would have been the indifferent performance by goalkeeper Bogdan Stelea.

Stelea let Mustapha Fethi to lob him from far out and stood immobile as David Delga scored just before half time. Romania is to play against another local side Thursday as it prepares for its first Group G game against Colombia on Monday.

Italy Looking to Take A Forceful First Step

Compiled by Our Staff From Dispatches

ITALY vs. CHILE (Bordeaux, 17:30 local time) Having often started poorly only to finish strongly, Italy will try to break a bad habit and make a powerful first step in the World Cup.

Italy won the 1982 Cup in Spain after drawing all three of its group matches and barely scraping into the second

THURSDAY'S MATCHES

round. Four years ago in the United States, Italy lost, 1-0, to Ireland in its opening match but went on to reach the final, where it lost to Brazil.

"We have a lot of respect for Chile, but we need to begin with victory," said Paolo Maldini, the team captain and the son of the coach, Cesare Maldini.

The senior Maldini has reverted to the traditional Italian focus on defense, having reintroduced the defensive "sweeper" favored by most Italian clubs. Nevertheless, Italy has looked shaky at times in warm-up games. The team recently lost to Sweden, 1-0, after a defensive lapse by Alessandro Nesta allowed the Swedes to score in the final minute.

Meanwhile, Chile's strength is in the attack. Ivan Zamorano and Marcelo Salas, the team's two star strikers, are by far its best-known players.

Calling the two "a threat for any defense," Maldini hinted that Nesta would guard Zamorano and that the agile Fabio Cannavaro would mark Salas.

Zamorano and Salas combined for 23 goals in World Cup qualifying as Chile returned to the finals after an absence of 16 years. Zamorano plays in the Italian league for Inter Milan, where Gianluca Pagliuca, the Italian goalkeeper, is a teammate.

"Chile is not only Zamorano and Salas," Maldini said. "Midfield and defense are good. It's a tough team."

Italy lost one of its most experienced strikers Wednesday when Fabrizio Ravanelli was dropped from the squad because he was suffering from bronchial pneumonia in his right lung. The Italians successfully petitioned FIFA, world soccer's governing body, to be allowed to replace Ravanelli with Enrico Chiesa.

Italy will also be without Alessandro Del Piero, who is recovering from a right thigh strain.

Roberto Baggio, who led Italy to the final game four years ago, will tem-

porarily take Del Piero's place.

The two teams met in one of the most infamous matches in World Cup history: the so-called Battle of Santiago in 1962. Chile won, 2-0, but the match is most remembered for violent play, a couple of fistfights and two player ejections.

AUSTRIA vs. CAMEROON (Toulouse, 21:00) Claude Le Roy, the Cameroon coach, said his team intended to be aggressive in the match between the two underdogs of Group B.

"We're not interested in safe soccer," said Le Roy. "Some risks always have to be taken."

Andreas Herzog, an Austrian forward, hinted that his team would opt for an attacking strategy, at least until the first goal. "We will try to score in the first few minutes," Herzog said. "Then things will be easier."

The game is probably the best chance for either team to get a victory at the World Cup, although Cameroon enters the match with more momentum.

Le Roy named an attacking team on Wednesday, bringing in the midfielder Didier Angbebe to replace the defender Salomon Olembe.

Olembe, who plays for Nice in the French league, will start the match on the bench along with the 17-year-old striker Samuel Eto'o, who will be the youngest player to appear in the tournament if he is sent on as a substitute.

"We really want to play," Le Roy said. "I don't care what the Austrian approach to the game will be. We will give everything we have."

Austria was a surprise winner of its European qualifying group, ahead of Sweden and Scotland, but it lost to Hungary and the United States in exhibition matches before gaining unconvincing victories over Tunisia and Liechtenstein, traditionally a weak team. Austrian fans booed at the home games.

Cameroon also took first place in its qualifying group in Africa. It followed with a 0-0 draw against the Netherlands in May and a 2-1 victory over Denmark on Friday, when Francois Omam Biyick, a veteran striker, scored two goals.

In 1990, Cameroon became the first African team to reach the quarterfinals of the World Cup. The country qualified again in 1994 but played poorly.

Le Roy appears to have infused his squad with off-lacking cohesion and team spirit since May, when he retook the job he had already held between 1985 and 1988. (AP, AFP, IHT, Reuters)

WORLD CUP SCHEDULE OF MATCHES							
GROUP A	GROUP B	GROUP C	GROUP D	GROUP E	GROUP F	GROUP G	GROUP H
Brazil Scotland Morocco Norway	Italy Chile Cameroon Austria	France South Africa Saudi Arabia Denmark	Spain Nigeria Paraguay Bulgaria	Holland Belgium South Korea Mexico	Germany U.S. Yugoslavia Iran	Romania Colombia England Tunisia	Argentina Japan Jamaica Croatia
GROUP A	GROUP B	GROUP C	GROUP D	GROUP E	GROUP F	GROUP G	GROUP H
10 June Brazil 2, Scotland, 1	10 June Italy 1, Chile, 0	10 June France 1, South Africa, 0	10 June Spain 1, Nigeria, 0	10 June Holland 1, Belgium, 0	10 June Germany 1, U.S., 0	10 June Romania 1, Colombia, 0	10 June Argentina 1, Japan, 0
16 June Scotland vs. Norway, Bordeaux, 9 P.M.	16 June Chile vs. Cameroon, Nantes, 9 P.M.	16 June South Africa vs. Saudi Arabia, St. Denis, 9 P.M.	16 June Nigeria vs. Paraguay, Toulouse, 9 P.M.	16 June Belgium vs. Mexico, St. Denis, 9 P.M.	16 June U.S. vs. Yugoslavia, St. Denis, 9 P.M.	16 June Colombia vs. England, St. Denis, 9 P.M.	16 June Japan vs. Jamaica, St. Denis, 9 P.M.
23 June Brazil vs. Morocco, Nantes, 9 P.M.	23 June Italy vs. Austria, St. Denis, 9 P.M.	23 June France vs. Denmark, St. Denis, 9 P.M.	23 June Spain vs. Bulgaria, St. Denis, 9 P.M.	23 June Holland vs. South Korea, St. Denis, 9 P.M.	23 June Germany vs. Iran, St. Denis, 9 P.M.	23 June Romania vs. Tunisia, St. Denis, 9 P.M.	23 June Argentina vs. Croatia, St. Denis, 9 P.M.
11 June Italy vs. Chile, Bordeaux, 9 P.M.	11 June Cameroon vs. Austria, Toulouse, 9 P.M.	11 June South Africa vs. Saudi Arabia, St. Denis, 9 P.M.	11 June Nigeria vs. Paraguay, St. Denis, 9 P.M.	11 June Belgium vs. Mexico, St. Denis, 9 P.M.	11 June U.S. vs. Yugoslavia, St. Denis, 9 P.M.	11 June Colombia vs. England, St. Denis, 9 P.M.	11 June Japan vs. Jamaica, St. Denis, 9 P.M.
17 June France vs. Denmark, St. Denis, 9 P.M.	17 June Cameroon vs. Austria, St. Denis, 9 P.M.	17 June South Africa vs. Saudi Arabia, St. Denis, 9 P.M.	17 June Spain vs. Bulgaria, St. Denis, 9 P.M.	17 June Holland vs. South Korea, St. Denis, 9 P.M.	17 June Germany vs. Iran, St. Denis, 9 P.M.	17 June Romania vs. Tunisia, St. Denis, 9 P.M.	17 June Argentina vs. Croatia, St. Denis, 9 P.M.
23 June Italy vs. Austria, St. Denis, 4 P.M.	23 June Cameroon vs. Austria, St. Denis, 4 P.M.	23 June South Africa vs. Saudi Arabia, St. Denis, 4 P.M.	23 June Spain vs. Bulgaria, St. Denis, 4 P.M.	23 June Holland vs. South Korea, St. Denis, 4 P.M.	23 June Germany vs. Iran, St. Denis, 4 P.M.	23 June Romania vs. Tunisia, St. Denis, 4 P.M.	23 June Argentina vs. Croatia, St. Denis, 4 P.M.
GROUP A	GROUP B	GROUP C	GROUP D	GROUP E	GROUP F	GROUP G	GROUP H
12 June Saudi Arabia vs. Denmark, Lens, 5:30 P.M.	12 June Italy vs. Austria, St. Denis, 5:30 P.M.	12 June France vs. Denmark, St. Denis, 5:30 P.M.	12 June Spain vs. Bulgaria, St. Denis, 5:30 P.M.	12 June Holland vs. South Korea, St. Denis, 5:30 P.M.	12 June Germany vs. Iran, St. Denis, 5:30 P.M.	12 June Romania vs. Tunisia, St. Denis, 5:30 P.M.	12 June Argentina vs. Croatia, St. Denis, 5:30 P.M.
18 June France vs. Denmark, St. Denis, 9 P.M.	18 June Italy vs. Austria, St. Denis, 9 P.M.	18 June South Africa vs. Saudi Arabia, St. Denis, 9 P.M.	18 June Spain vs. Bulgaria, St. Denis, 9 P.M.	18 June Holland vs. South Korea, St. Denis, 9 P.M.	18 June Germany vs. Iran, St. Denis, 9 P.M.	18 June Romania vs. Tunisia, St. Denis, 9 P.M.	18 June Argentina vs. Croatia, St. Denis, 9 P.M.
24 June France vs. Denmark, St. Denis, 4 P.M.	24 June Italy vs. Austria, St. Denis, 4 P.M.	24 June South Africa vs. Saudi Arabia, St. Denis, 4 P.M.	24 June Spain vs. Bulgaria, St. Denis, 4 P.M.	24 June Holland vs. South Korea, St. Denis, 4 P.M.	24 June Germany vs. Iran, St. Denis, 4 P.M.	24 June Romania vs. Tunisia, St. Denis, 4 P.M.	24 June Argentina vs. Croatia, St. Denis, 4 P.M.
GROUP A	GROUP B	GROUP C	GROUP D	GROUP E	GROUP F	GROUP G	GROUP H
13 June Paraguay vs. Bulgaria, Montpellier, 2:30 P.M.	13 June Italy vs. Austria, St. Denis, 2:30 P.M.	13 June France vs. Denmark, St. Denis, 2:30 P.M.	13 June Spain vs. Bulgaria, St. Denis, 2:30 P.M.	13 June Holland vs. South Korea, St. Denis, 2:30 P.M.	13 June Germany vs. Iran, St. Denis, 2:30 P.M.	13 June Romania vs. Tunisia, St. Denis, 2:30 P.M.	13 June Argentina vs. Croatia, St. Denis, 2:30 P.M.
19 June Spain vs. Bulgaria, Paris, 5:30 P.M.	19 June Italy vs. Austria, St. Denis, 5:30 P.M.	19 June France vs. Denmark, St. Denis, 5:30 P.M.	19 June Spain vs. Bulgaria, St. Denis, 5:30 P.M.	19 June Holland vs. South Korea, St. Denis, 5:30 P.M.	19 June Germany vs. Iran, St. Denis, 5:30 P.M.	19 June Romania vs. Tunisia, St. Denis, 5:30 P.M.	19 June Argentina vs. Croatia, St. Denis, 5:30 P.M.
25 June Spain vs. Bulgaria, St. Denis, 9 P.M.	25 June Italy vs. Austria, St. Denis, 9 P.M.	25 June France vs. Denmark, St. Denis, 9 P.M.	25 June Spain vs. Bulgaria, St. Denis, 9 P.M.	25 June Holland vs. South Korea, St. Denis, 9 P.M.	25 June Germany vs. Iran, St. Denis, 9 P.M.	25 June Romania vs. Tunisia, St. Denis, 9 P.M.	25 June Argentina vs. Croatia, St. Denis, 9 P.M.

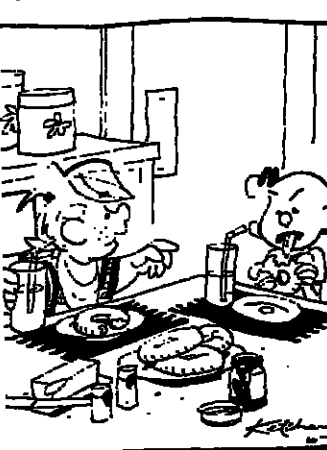
ie schedule that appeared in Monday's and Wednesday's editions contained erroneous times for matches and two erroneous dates for matches involving the Japanese team.

Where To Watch the Cup on TV

According to the following countries and broadcasters, the World Cup live. Please consult local listings for the time and day of the telecast.

AMERICA
Algeria: ENTV
Cameroon: CRTV/Camel + Horizons
Cote d'Ivoire: Canal 1
Ghana: Canal 1
Guinea: Canal 1
Ivory Coast: Canal 1
Mali: Canal 1
Mauritania: Canal 1
Mauritius: Canal 1
Morocco: Canal 1
Niger: Canal 1
Nigeria: Canal 1
Senegal: Canal 1
Sierra Leone: Canal 1
Togo: Canal 1
Tunisia: Canal 1
Zambia: Canal 1
Zimbabwe: Canal 1

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YOU DON'T GIVE TIPS?

I HAD NO IDEA BINGOLINGS WERE SO EXPENSIVE! WE'RE DOOMED! WE'RE DOOMED!

WHAT AM I GONNA DO?

I SUPPOSE YOU COULD JUST TELL HIM WHAT HE'S DOING WRONG...

AND MAKE MY GETAWAY WHEN THE CORONARY HITS? SAY, THAT'S AN IDEA.

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NON SEQUITUR

DOONESBURY

BLONDIE

FRIENDSHIPS

PEANUTS

WIZARD OF ID

NON SEQUITUR

DOONESBURY

ART BUCHWALD

Good for the Soul

WASHINGTON — I intend to talk about alleged adultery. The only reason I wish to discuss it is that it's a major topic of conversation at beach parties and cookouts in the United States.

Alleged adultery is not committed by as many people as you think, but at the same time it is committed by more people than we all like to admit. Ken Starr is determined to hang the president of the United States because he allegedly committed adultery and lied about it.



Buchwald

Monica Lewinsky is also accused of committing alleged adultery and, depending on which way she goes, could also be hung for indulging in the sport.

The question raised by the

public is whether committing adultery is in the same class with conducting a nuclear test over India.

It is generally accepted that the only way to deal with adultery if you are caught is to deny it. We know all the stories about the husband getting caught with a woman and saying to his wife, "Now don't believe what you see."

American culture demands that, when caught, neither party admit to any hanky-panky. Occasionally there are tearful confessions of bonding, but as long as both parties stick to their stories no one gets in trouble.

What we have in the Starr case is a zealot who is determined to send anyone to jail for allegedly having one or more escapades.

As far as we know right now, Starr has nothing to charge except that Monica Lewinsky allegedly was playing spin the bottle with the president in the Oval Office.

Elgin Marble Battle

NEW YORK — In the latest skirmish over the Elgin marbles, Greece has accused Britain of arrogance in saying that the ancient sculptures from the Parthenon were better preserved in London than in Athens.

The outburst was sparked by the book, "Lord Elgin and the Marbles," by a British historian, which says that in 1817, workers in the British Museum damaged the fifth century B.C. marbles by trying to remove their honey-colored patina with metal scrapers.

Culture Minister Evangelos Venizelos said the book buttressed Greece's case for the marbles' return. London said the account of damage was exaggerated.

Let us, for argument's sake, say that it is true and there was a relationship between Monica and the president.

What does it all mean? The stock market is perking along, interest rates are down and a theater ticket on Broadway costs only \$75. We, the taxpayers, are hoping Starr is wrong and will be disbarred.

I am not going to serve on any jury that tries Monica Lewinsky on any adulterous high crimes or misdemeanors.

Like Starr, I believe confession is good for the soul, but when it costs us \$43 million for what goes on inside someone's closed doors, it's a bargain.

Capturing Macau's Gangland — on Camera

By Alison Dakota Gee

HONG KONG — When Henry Fong Ping first met the man who would become the subject of his latest film, he was so filled with fear he could not speak.

Wan Kuok-koi, also known as "Broken Tooth" Koi, is said to be the top triad boss in Macau, the tiny Portuguese colony neighboring Hong Kong. Last fall, Fong approached him about lending his life story to a Hong Kong gangster movie. Wan, who drives a purple Lamborghini, wears smart three-piece suits and a diamond bracelet, and has a distinct flair for self-promotion, did not hesitate. The answer was yes.

"He invited us to Macau for dinner," said Fong, who brought along a scriptwriter to begin researching the film. "I was too afraid to talk or eat. Throughout the meal, I kept my eyes on the ground. The only sound I made was a little laughter whenever Mr. Wan made a joke."

Fong's fear was understandable. As the purported chieftain of the 14K triad, Wan, 43, would be possibly the most powerful underworld leader in Macau and southern China.

Chinese triads like 14K are crime syndicates, sinister brotherhoods that first came into being on the mainland more than a century ago. The reach of such gangs extends far beyond Asia; law enforcement officials say triads wield considerable influence in most major cities around the world, wherever Chinese communities flourish. Like the Italian Mafia, the triads earn their living through loan sharking, prostitution, gambling and extortion rackets.

And, like the Mafia, their business dealings are characterized by shocking acts of violence and meticulously plotted assassinations.

Macau has certainly not been spared the triads' brand of urban terrorism. On the contrary: In the last year, the colony has become increasingly criminal. As one of Asia's gambling meccas, with



A scene from Henry Fong Ping's "Casino," a gangster film featuring an alleged triad boss.

myriad casinos lining its harbor, Macau has been overrun by Chinese gangs, battling for control of the lucrative gambling trade.

Today, the tiny enclave of 450,000 people has been transformed from a sleepy village with cobblestone squares and quaint street markets into an incongruous backdrop for machine-gun shoot-outs, casino murders, bombings and even assassinations of top-level government officials.

On March 24, Francisco Amaral, the third-ranking official in Macau's Gambling Inspectorate, was murdered near the Lisboa Hotel, a leading casino. Two days later, a man walked up to the car of a customs police officer, Chuy Ion Kao, and shot him in the head in front of his wife and daughter.

While Macau's violent spiral has not been good news for its law-abiding citizens, it has provided the stuff of which Hong Kong's most

sensational action cinema is made.

"The market is very commercial right now," said Fong. "Everyone wants an action picture with lots of fight scenes. So we decided to do a story about a 'godfather' character."

It is a testament to the ailing state of Hong Kong's film industry that Fong even took on a film like "Casino" in the first place. He is better known for producing art-house films with some of the region's best directors. But Hong Kong's economic recession has brought the city's once flourishing industry to a near halt — over the past three years, film production has dropped by more than 50 percent — and commercial movies like "Casino" are among the few films that can attract investors.

Though "Casino" is not likely to garner any awards for artistic achievement, it is a stylishly told tale. The story follows the rise of a small-time thug named "Giant" (played by the Hong Kong film idol Simon Yam) as told through the eyes of a Hong Kong television journalist (played by Kwok Ho Ying). She captures his anecdotes on videotape, coaxes up to him at his chandelier-punctuated mansion and trails behind him as he tends to his daily triad duties.

The assignment leads the journalist through the tense, high-stakes VIP rooms of Macau's glitzy casinos and into local cafes, where Giant conducts negotiations with rival triad bosses over egg tarts and tea. In one scene, the journalist watches in silent horror as Giant slowly drives his flashy sports car over the leg of an innocent woman.

Wan astonished the filmmaking team when he agreed to a series of lengthy research meetings. He also bankrolled most of the film's \$1.7 million budget and the credits list

him as producer. He then ensured that the Hong Kong film crew could maneuver through the colony by flexing his considerable muscle.

Before production even began, for example, the colony's Cultural Institute rejected Wan's application for a public filming license, disapproving of the gang-related content in "Casino." Wan refused to take no for an answer and arranged for filming whenever and wherever he wanted to.

For one scene, the crew blocked Macau's main bridge at dawn to film a procession of more than 200 cars. Then the crew shot a huge gang brawl directly outside Macau police headquarters. "It was easy for us, very easy," said Fong. "We just shot it and ran."

About a week before opening night, Wan was arrested and sent to a prison cell in Macau for allegedly trying to kill the police chief, Anthony Marques Baptista. His arrest appeared to be good news for his movie.

Fueled by the media buzz, "Casino" was shown to 1,000 cinema fans and members of the international press. The film did solid box-office business during its one-month run and is now scheduled for release in Taiwan, Singapore, Korea and Japan.

Although Wan is still in jail awaiting trial, he did get to see his life story projected up on the silver screen. Several weeks before the film's premiere in Hong Kong, Wan arranged for a private screening to which he invited his 10 closest friends and his mother. But when the lights came on after the movie, he did not say a word. Clearly, he expected the movie to portray him as a hero, when in essence he comes off more as a misguided, albeit powerful, thug. "For him, the movie was not grand enough, not epic enough," Fong said.

"Nobody even clapped," he added with a sigh. "But at least everyone went home alive."

Alison Dakota Gee is a journalist based in Hong Kong.

PEOPLE

THE newest Spice is ... Luciano Pavarotti? The Ginger-less Spice Girls teamed up with the tenor for their first performance since announcing their split last week. The open-air charity song-fest, "Pavarotti and Friends," took place in Modena, Italy, was directed by Spike Lee and co-starred Celine Dion and Stevie Wonder. Proceeds were to benefit poor children in Liberia. "It's Beady Spice!" a fan shouted as Pavarotti sang the Spice Girls' new single, "Viva Forever." It was the four Spices' first performance since the departure of Ginger Spice, Geri Halliwell.

The singer-songwriter Billy Joel says his current tour will be his last, according to People magazine. "It's time for me to move along," Joel said. Joel was forced to pull out of two British concerts with Elton John, because of an asthma attack. "I can't do the job as well as I used to," he said.

Dudley Moore's estranged wife says his health is failing — and that's why she is dropping her \$10 million lawsuit against him. "I don't want to be the reason he goes over the edge," Nicole Rothschild told the tabloid TV show "Extra." "He said he was waiting to die," she added. "There was really

nothing left for him here." Moore, 63, underwent heart surgery in September because of a blocked artery. He and Rothschild, who have a 2-year-old son, have been involved in a bitter divorce, during which she sued him for abuse.

The songwriting team of Fats Domino and Dave Bartholomew, John Barry, who wrote a dozen James Bond movie themes, and John Williams, who wrote the scores for many Steven Spielberg films, were inducted into the Songwriters' Hall of Fame at the organization's annual dinner in New York.

Queen Elizabeth the Queen Mother, undaunted by her 97 years and hip surgery less than five months ago, inaugurated a new row boat at Cambridge University. It was the 50th anniversary of her becoming the college's patroness, and the 550th anniversary of the college's foundation.

Derek Jacobi, who has portrayed Hamlet, Richard II and Richard III on the British stage, has been awarded this year's Hamburg Shakespeare Prize. Past recipients include Graham Greene, Doris Lessing and Harold Pinter.

For Louvre Restaurant, an American Chef?

New York Times Service

NEW YORK — Mon Dieu! The mother of modern American cooking has been asked to open a restaurant at the temple of French culture in Paris. Alice Waters, whose restaurant in Berkeley, California, Chez Panisse, has become a shrine to American cooking, is to meet in California on Thursday with Helene David-Weill, chairman and chief executive of the Museum of Decorative Arts of the Louvre, to discuss plans for the museum's new 330-seat restaurant. The museum building is being restored, and the restaurant is scheduled to open at the end of 2000. The restaurant will look out on the Tuileries Gardens.

If the women can come to an agreement, it would mark a triumphant return to Paris for Waters. She went to France 35 years ago, at 19, when the French were still raising food organically.

"I lived at the bottom of a market street and took all of that in by osmosis," Waters said. She brought it back to the United States and opened Chez Panisse, where the cooking with local ingredients is American with a Provencal emphasis.

"Alice Waters is the quintessence of taste and savoir faire," David-Weill said. "She searches for perfection."

Were there no French chefs for such an undertaking? David-Weill said she did not find them. "They didn't come to us," she said.

Waters said she envisions the Louvre restaurant as a place where patrons can talk to the people who are cooking, and where informational cards explain where the food comes from.

She is sensitive to the idea of an American taking over a restaurant at the august Louvre. "I couldn't possibly do it if there were any kind of resistance," she said. She said she plans to use French suppliers and chefs, working with an advisory committee of friends, including the chef Michel Troisgros; Lulu Peyraud, the owner of a Bagnol winery, and the baker Lionel Pouillon.



Luciano Pavarotti embracing two of the Spice Girls.



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World Cup Ticket Bought Seats

By Mary Joann and Anne Swartz

Just hours before the World Cup was to begin in France, the Tokyo-based travel agent who had sold 54,000 tickets to the tournament, had vanished.

The whole point of the World Cup travel tour was to cheer on Japan's team, the Eiffel Tower, and the travel agent who had sold the tickets, had vanished.

"I still can't believe it," said the travel agent who had sold the tickets, had vanished.

So are about 100,000 soccer fans, and soccer press reports, hundreds of thousands of fans, and the Netherlands.

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